

**TRANSMITTAL LETTER TO THE UNITED STATES
DESIGNATED/ELECTED OFFICE (DO/EO/US)
CONCERNING A FILING UNDER 35 U.S.C. 371**

19433-0661

U.S. A. 09/857275 (37 CFR 1.5)

09/857275

INTERNATIONAL APPLICATION NO.

INTERNATIONAL FILING DATE

PRIORITY DATE CLAIMED

PCT/US00/29938

October 30, 2000

October 29, 1999

TITLE OF INVENTION

FUNDS FLOW SYSTEM FOR ACADEMIC HEALTH CENTERS

APPLICANT(S) FOR DO/EO/US

Robert J. BAKER, David A. BURNETT, and Michael A. GAHABE

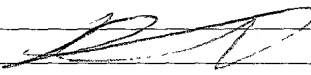
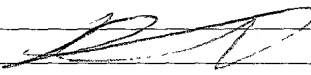
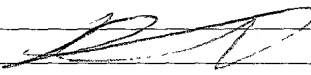
Applicant herewith submits to the United States Designated/Elected Office (DO/EO/US) the following items and other information:

1. ☒ This is a **FIRST** submission of items concerning a filing under 35 U.S.C. 371.
2. ☐ This is a **SECOND** or **SUBSEQUENT** submission of items concerning a filing under 35 U.S.C. 371.
3. ☒ This express request to begin national examination procedures (35 U.S.C. 371(f)) at any time rather than delay examination until the expiration of the applicable time limit set in 35 U.S.C. 371(b) and PCT Articles 22 and 39(1).
4. ☐ A proper Demand for International Preliminary Examination was made by the 19th month from the earliest claimed priority date.
5. ☐ A copy of the International Application as filed (35 U.S.C. 371(c)(2))
 - a. ☐ is transmitted herewith (required only if not transmitted by the International Bureau).
 - b. ☐ has been transmitted by the International Bureau.
 - c. ☐ is not required, as the application was filed in the United States Receiving Office (RO/US)
6. ☐ A translation of the International Application into English (35 U.S.C. 371(c)(2)).
7. ☐ Amendments to the claims of the International Application under PCT Article 19 (35 U.S.C. 371(c)(3))
 - a. ☐ are transmitted herewith (required only if not transmitted by the International Bureau)
 - b. ☐ have been transmitted by the International Bureau.
 - c. ☐ have not been made; however, the time limit for making such amendment has NOT expired.
 - d. ☐ have not been made and will not be made.
8. ☐ A translation of the amendments to the claims under PCT Article 19 (35 U.S.C. 371(c)(3)).
9. ☐ An oath or declaration of the inventor(s) (35 U.S.C. 371(c)(4)).
10. ☐ A translation of the annexes to the International Preliminary Examination Report under PCT Article 36 (35 U.S.C. 371(c)(5))

Items 11. to 16. below concern other document(s) or information included:

11. ☒ An Information Disclosure Statement under 37 CFR 1.97 and 1.98.
12. ☐ An assignment document for recording. A separate cover sheet in compliance with 37 CFR 3.28 and 3.31 is included.
13. ☒ A **FIRST** preliminary amendment.
☐ A **SECOND** or **SUBSEQUENT** preliminary amendment.
14. ☐ A substitute specification.
15. ☐ A change of power of attorney and/or address letter.
16. ☒ Other items or information.
International Search Report prepared by US
Front Page of Notification of Receipt of Record Copy
Preliminary Amendment
Substitute Sheets to Appendix A
Formal Drawings

U.S. APPLIC <div style="font-size: 2em; font-weight: bold; margin-top: 10px;">09/857275</div>	INTERNATIONAL APPLICATION NO. PCT/US00/29938	ATTORNEY'S DOCKET NUMBER 19433-066
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Docket No.: 19433-066

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of :
Robert BAKER, et al. :
Serial No.: : Group Art Unit:
Filed: June 1, 2001 : Examiner:
For: FUNDS FLOW SYSTEM FOR ACADEMIC HEALTH CENTERS

TRANSMITTAL OF FORMAL DRAWINGS

Commissioner for Patents
Washington, DC 20231

Sir:

At the time the above application was filed, informal drawings were presented with the application.

The formal drawings are submitted herewith.

Respectfully submitted,

MCDERMOTT, WILL & EMERY



David L. Stewart
Registration No. 37,578

600 13th Street, N.W.
Washington, DC 20005-3096
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Date: June 1, 2001
Facsimile: (202) 756-8087

09/857275

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of

Robert BAKER, et al.

Serial No.:

Group Art Unit:

Filed: June 1, 2001

Examiner:

For: FUNDS FLOW SYSTEM FOR ACADEMIC HEALTH CENTERS

PRELIMINARY AMENDMENT

Commissioner for Patents
Washington, DC 20231

Sir:

Prior to examination of the above-referenced application, please amend the application as follows:

IN THE SPECIFICATION:

Please Substitute Appendix A with the Appendix A as originally filed.

At Page 4, Paragraph 2, Line 15, please amend as follows:

By analyzing the "commerce" or flow of funds between the participants in an AHC, departmental sources and uses of funds statements are prepared. The [analysis]analyses need to be done such that the participants can understand and explain these transactions. Once all of the transactions have been identified and categorized, standard reports are generated. These reports can include a standard triangle statement and standard department statements, discussed hereinafter. The reports form the basis of a comparative database and are used to develop departmental ratios for comparison purposes.

At Page 8, Paragraph 1, Line 8, please amend as follows:

Referring to Figure 2, a block diagram of the method for the present invention is illustrated. The method starts with identifying each transactions occurring across AHC participants (school of medicine 12, hospital 14, and faculty clinical practice 16 at step 100. This step also includes identifying transactions between the participants and parent university, government and other relevant entities. In addition, all sources and uses of funds for that participant's clinical departments are identified. Next, all sources and uses of funds for a participant's clinical department are identified at step 102. Then, an [analyses]analysis of the organization's "commerce" across participants and departmental sources and uses of funds statements are generated at step 104. These are done in a manner that the participant deems relevant to understand and explain itself financially internally.

Page 9, Paragraph 3, Line 22, please amend as follows:

Cash and non-cash "flow of funds" categories are further combined into two basic categories of support and payment for services. The support category consists of support given, unreimbursed expense and funds generated retained. The payment for services category consist of purchased services across operating activities, payment for central services and payment for clinical services. Purchased services across operating activities include physician leadership, physician service, physician incentives and [non-physician]non-physician services. The payment for central services are payments to the university, vice-president of health affairs (VPHA) and health system. The payment for clinical services includes payments from government, e.g., state, county and community.

Page 11, Paragraph 1, Line 1, please amend as follows:

expenses by the hospital 218, the expense is labeled as support [222if]222 if it is need or affected by the hospital 220 and expense is considered a faculty clinical practice or school of medicine expense 224 if it was not needed or affected by the hospital 220. Thus, expenses incurred on behalf of another operating activity (people, space, service, capital) that are requested or needed by that activity are reimbursed.

Page 13, Paragraph 2, Line 5, please amend as follows:

The payment for services include funds generated retained J and indigent care payment for service N. The funds generated retained include funds the university retains [form]from the funds generated by the department (e.g., tuition and fees retained, indirect cost recovery retained, etc.) at a rate [is less than]less than or equal to the value or services provided by the university 18. The indigent care payment for service includes the funding/reimbursement the state provides the hospital 14 for the provision of care to patient populations including indigent and Medicaid and the funding/reimbursement to the faculty clinical practice 16 for the provision of care to patient populations including indigent and Medicaid.

Page 21, Paragraph 3, Lines 15 and 16, please amend as follows:

Referring to Figures 15A-B, sources of funds for the school of medicine¹², both [externally generated funded]externally funded research and other academic areas and the faculty clinical practice 16 are illustrated. [Externally funds]Externally generated funds are defined as funds generated from external sources related to current operating activities of the research, teaching and clinical missions. External funds include net patient care revenue, direct expense reimbursement- Federal and non-Federal, indirect cost recovery- Federal and non-Federal, tuition and fees, direct paid salaries, other externally generated funds.

IN THE CLAIMS:

Please amend the claims as follows:

Please renumber claim 12 to be claim 10.

[12] 10. The method of [claim 11] claim 9, wherein the step of quantifying the funds flows among participants, further comprises identifying support and quantifying expected return for the support.

Please renumber claims 13 and 14 to be claims 11 and 12.

[13] 11. A system for tracking the flow of funds in an academic health center, comprising:

a school of medicine, a hospital and a clinical practice plan as participants;

a network connecting each of the participants;

a processor for gathering data from each of the participants and generating at least one report based on the data, wherein the data includes a list of all sources of funds and uses of funds for each department of a participant.

[14] 12. The system of [claim 13] claim 11, wherein the at least one report is selected from the group consisting of: custom triangle and supporting statements, standard triangle and supporting statements, customized departmental statements, standard department statements, departmental ratios by participants, ratios by department across participants, aggregate department sources and used per FTE.

IN THE DRAWINGS:

Please substitute the Formal drawings with the drawings as originally filed.

Amendments to Pages 4, 8, 9, 11, 13, and 21 are attached in Appendix B.

REMARKS

Entry of this preliminary amendment is respectfully requested.

Respectfully submitted,

MCDERMOTT, WILL & EMERY



David L. Stewart

Registration No. 37,578

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Washington, DC 20005-3096
(202) 756-8000 DLS:ykg
Date: June 1, 2001
Facsimile: (202) 756-8087

APPENDIX B

IN THE SPECIFICATION:

At Page 4, Paragraph 2, Line 15:

By analyzing the "commerce" or flow of funds between the participants in an AHC, departmental sources and uses of funds statements are prepared. The analyses need to be done such that the participants can understand and explain these transactions. Once all of the transactions have been identified and categorized, standard reports are generated. These reports can include a standard triangle statement and standard department statements, discussed hereinafter. The reports form the basis of a comparative database and are used to develop departmental ratios for comparison purposes.

At Page 8, Paragraph 1, Line 8:

Referring to Figure 2, a block diagram of the method for the present invention is illustrated. The method starts with identifying each transactions occurring across AHC participants (school of medicine 12, hospital 14, and faculty clinical practice 16 at step 100. This step also includes identifying transactions between the participants and parent university, government and other relevant entities. In addition, all sources and uses of funds for that participant's clinical departments are identified. Next, all sources and uses of funds for a participant's clinical department are identified at step 102. Then, an analysis of the organization's "commerce" across participants and departmental sources and uses of funds statements are generated at step 104. These are done in a manner that the participant deems relevant to understand and explain itself financially internally.

Page 9, Paragraph 3, Line 22:

Cash and non-cash "flow of funds" categories are further combined into two basic categories of support and payment for services. The support category consists of support given, unreimbursed expense and funds generated retained. The payment for services category consist of purchased services across operating activities, payment for central services and payment for clinical services. Purchased services across operating activities include physician leadership, physician service, physician incentives and non-physician services. The payment for central services are payments to the university, vice-president of health affairs (VPHA) and health system. The payment for clinical services includes payments from government, e.g., state, county and community.

Page 11, Paragraph 1, Line 1:

expenses by the hospital 218, the expense is labeled as support 222 if it is need or affected by the hospital 220 and expense is considered a faculty clinical practice or school of medicine expense 224 if it was not needed or affected by the hospital 220. Thus, expenses incurred on behalf of another operating activity (people, space, service, capital) that are requested or needed by that activity are reimbursed.

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The payment for services include funds generated retained J and indigent care payment for service N. The funds generated retained include funds the university retains from the funds generated by the department (e.g., tuition and fees retained, indirect cost recovery retained, etc.) at a rate less than or equal to the value or services provided by the university 18. The indigent care payment for service includes the funding/reimbursement the state provides the hospital 14 for the provision of care to patient populations including indigent and Medicaid and the funding/reimbursement to the faculty clinical practice 16 for the provision of care to patient populations including indigent and Medicaid.

Referring to Figures 15A-B, sources of funds for the school of medicine¹², both externally funded research and other academic areas and the faculty clinical practice¹⁶ are illustrated. Externally generated funds are defined as funds generated from external sources related to current operating activities of the research, teaching and clinical missions. External funds include net patient care revenue, direct expense reimbursement- Federal and non-Federal, indirect cost recovery- Federal and non-Federal, tuition and fees, direct paid salaries, other externally generated funds.

IN THE CLAIMS:

10. The method of claim 9, wherein the step of quantifying the funds flows among participants, further comprises identifying support and quantifying expected return for the support.

11. A system for tracking the flow of funds in an academic health center, comprising:

a school of medicine, a hospital and a clinical practice plan as participants;

a network connecting each of the participants;

a processor for gathering data from each of the participants and generating at least one report based on the data, wherein the data includes a list of all sources of funds and uses of funds for each department of a participant.

12. The system of claim 11, wherein the at least one report is selected from the group consisting of: custom triangle and supporting statements, standard triangle and supporting statements, customized departmental statements, standard department statements, departmental ratios by participants, ratios by department across participants, aggregate department sources and used per FTE.

40/PRTS

09/857275
J018 Rec'd PCT/PTO 01 JUN 2001

FUNDS FLOW SYSTEM FOR ACADEMIC HEALTH CENTERS

CROSS-REFERENCE TO RELATED APPLICATIONS

This application claims priority from U.S. Provisional Application No. 60/162,328, filed October 29, 1999, which is incorporated herein by reference in its entirety.

FIELD OF THE INVENTION

The invention relates to a system and method for tracking and reporting the flow of funds and more particularly to a system and method for tracking and reporting the flow of funds between participants in an academic health center comprising a school of medicine, a hospital and a faculty clinical practice, thus allowing comparisons between the different participants and departments of participants and comparisons among different academic health centers.

BACKGROUND OF THE INVENTION

Figure 1 is a block diagram of an academic health center (AHC) or an academic clinical enterprise having as participants a school of medicine 12, a hospital 14 and a faculty practice plan 16. The AHC 10 allows for the advancement of medical knowledge, providing medical care to patients and preparing medical students. The AHC 10 allows each participant to perform their given tasks with support from the other participants. For example, since a school of medicine 12 can only provide a limited education to its students, the students must rely on the doctors and hospital 14 to provide real life training.

Although each participant in an AHC interacts with and relies on the other participants, there is no proper method to account for and determine the value of these partnerships and relationships in monetary measures. Without proper accounting, the participants cannot properly compare the cost and benefits each

receives as part of the AHC 10. Similarly, it is difficult to compare the efficiency of a department within a participant. For example, a hospital cannot measure the efficiency of its orthopedics department with the ophthalmology department. Without proper accounting, a hospital cannot compare the efficiency of its orthopedics department with other orthopedic departments located at different hospitals in other AHC's.

One of the reasons for such problems is that each participant has its own accounting system thus each participant treats costs differently. Moreover, even if the participants use the same accounting system, the participants still cannot make realistic comparisons because the participants do not typically define transactions and measures in the same manner, nor do they account for hidden costs or income such as service and benefits which they receive for free from another participant. Without a shared accounting system which properly accounts for each transaction, whether it is a cash or non-cash transaction, the participants cannot use meaningful benchmarking procedures to determine how a department within a participant or a participant is operating.

SUMMARY OF THE INVENTION

The problems of the prior art overcome in accordance with one embodiment of the invention by identifying, pricing, and categorizing each transaction between the parties thereby allowing the costs and values of the services between each party to be analyzed and appropriate action can be taken to correct for any imbalance in costs or benefits that a participant receives at the cost of another participant.

The present invention provides both processes and comparative financial data that enable the participants of an AHC: the hospital, practice plan and school of medicine, which are referred to as the participants in the "triangle," to use common

definitions and formats to identify and discuss the real costs and value of the services each participant provides and how services are funded. The invention permits all participants start from common ground with common definitions. The present invention also provides departmental analyses of sources and uses of funds, i.e., income statements, which allow evaluation of departmental performance in a mission-based format. Thus the present invention provides for analyses of the following: academic medical center interdependencies; productivity, efficiency and operating performance across missions; investment of academic center resources; net state and community support; and benchmarking. In addition, because the format logic and definitions have been standardized for all participants, comparison across institutions and departments is possible.

On one level, benchmarking allows one participant in an AHC to determine how that participant compares with other participants in other AHCs, e.g., hospital A verse hospital B and/or hospital C. Benchmarking can also be used to compare one department within a participant with another department within the same participant, e.g., pediatrics verse cardiovascular. Benchmarking also allows for a department in one participant to be compared with the same department in another participant in another AHC, e.g., pediatrics in hospital A verse pediatrics in hospital B. Such comparisons are possible if each party is being compared using the same framework. In other words, for one department to be compared to another department, the departments must categorize their costs in the same manner as well provide the same value for similar tasks. For example, if a first pediatrics group does not calculate the costs for bedsheets in their operating costs, but a second pediatrics group does, the two departments cannot be properly compared. Thus, there is a need for each party to label or categorize similar costs in similar ways.

Therefore, the participants in the system must identify and categorize their costs and services in the same manner thereby allowing for proper comparisons. Such comparisons will enable a party to determine if their costs are different from another party's costs for the same service and appropriate action can be taken. In order to do this, each participant needs to identify all transactions occurring between itself and the other participants, as well as transactions between itself and other relevant entities. For example, the school of medicine 12 needs to identify the transactions between the school of medicine 12 and the hospital 14 and care providers, as well as between the school of medicine 12 and the parent university, state, etc. All sources and uses of funds also need to be identified. Once identified, the sources and funds can be categorized using the same categories for each participant.

By analyzing the "commerce" or flow of funds between the participants in an AHC, departmental sources and uses of funds statements are prepared. The analysis need to be done such that the participants can understand and explain these transactions. Once all of the transactions have been identified and categorized, standard reports are generated. These reports can include a standard triangle statement and standard department statements, discussed hereinafter. The reports form the basis of a comparative database and are used to develop departmental ratios for comparison purposes.

The advantages of the present invention will become readily apparent to those skilled in the art from the following detailed description, wherein only the preferred embodiments of the invention are shown and described, simply by way of illustration of the best mode contemplated of carrying out the invention. As will be realized, the invention is capable of other and different embodiments, and its several

details are capable of modifications in various obvious respects, all without departing from the invention. Accordingly, the drawings and description are to be regarded as illustrative in nature, and not as restrictive.

BRIEF DESCRIPTION OF THE FIGURES

5 Figure 1 is a block diagram of an academic health center.

Figure 2 is a flow chart of the steps of the present invention.

Figure 3A is a block diagram for the payment for service definition.

Figure 3B is a block diagram for the expense reimbursement definition.

Figure 3C is a block diagram for the support - unreimbursement definition.

10 Figure 4 is a block diagram of a financial model/logic for support and purchased services across operating activities.

Figure 5 is a block diagram of a financial model/logic for support and purchased services between operating activities and university, VPHA, health system or state, county and community.

15 Figure 6 is a chart of the transactions occurring in Figures 4 and 5.

Figure 7 is a table of the internal commerce among the school of medicine, the faculty clinical practice and the hospital.

Figure 8 is a table of the internal commerce among the school of medicine, the faculty clinical practice, the hospital, and the university, VPHA, health system, 20 and state, county and community.

Figure 9 is a block diagram of a financial model/logic for support and purchased services across and between operating activities.

Figure 10A is a chart of the transactions for programs and services illustrated in Figure 9.

Figure 10B is a chart of the transactions for OVCHS and Strategic Investment Fund as illustrated in Figure 9.

Figure 10C is a chart of the transactions for public aid and prison population illustrated in Figure 9.

Figure 10D is a chart of the transactions for research and training illustrated in Figure 9.

Figure 10E is a chart of the transactions for centrally provided services illustrated in Figure 9.

Figure 11 is a table of the purchased services and support by the hospital.

Figures 12A-B are tables of the strategic investment fund.

Figure 13 is a listing of the different reporting departments.

Figure 14 is a block diagram of a departmental funds flow income statement.

Figures 15A-B are tables listing the sources of funds for the participants of the AHC.

Figure 15C is a table listing the uses of funds for the participants of the AHC.

Figure 16 is an exemplary standard departmental statement.

Figure 17 is an exemplary customized departmental statement.

Figures 18A-D are exemplary tables of the clinical department ratios.

Figures 19A-B are exemplary tables of the key department ratios.

DESCRIPTION OF THE PREFERRED EMBODIMENT

The description of the invention which follows is exemplary. However, it should be clearly understood that the present invention may be practiced without the specific details described herein. Well known structures and devices are shown in block diagram form to avoid any unnecessarily obscuring the present invention.

An underpinning of the present invention is the recognition that AHCs are

continually providing support to under-funded programs and making investments in new program and project development. The distinction between support and investments is often unclear. Even when an equity transfer is identified as an investment, expected returns, whether they be financial, programmatic or academic, are often poorly defined, if at all. One of the key benefits of the investment approach, i.e., viewing support as investments, is to prompt the equity provider and recipient to define the expected return.

Sources of investment equity, relatively common to all participants, include centrally retained indirect cost recovery from research, tuition and fees, taxes on clinical revenues, plant funds, trust fund earnings and internally restricted balances, current fund cash balances, net income and state and local appropriations when available. Uses of investment capital include funding of new programs and services, such as centers of excellence, construction projects, faculty additions, and primary care network development.

Many other equity transfers occur within AHCs, clearly of a support nature. In addition, support may take the form of unreimbursed expenses incurred by one party for the benefit of another. A major benefit of identifying the rationalizing equity transfers and other forms of support is that when continuing investment or support transfers makes no sense, the equity identified is essentially new strategic capital that can be direct to other uses.

Each participant is different, with its unique history, ownership, governance and financial relationships. Yet each participant wishes to compare itself to the other participants and to a common database in order to understand how others are addressing like issues and in order to benchmark productivity and efficiency.

Referring to Figure 2, a block diagram of the method for the present invention is illustrated. The method starts with identifying each transactions occurring across AHC participants (school of medicine 12, hospital 14, and faculty clinical practice 16 at step 100. This step also includes identifying transactions between the participants and parent university, government and other relevant entities. In addition, all sources and uses of funds for that participant's clinical departments are identified. Next, all sources and uses of funds for a participant's clinical department are identified at step 102. Then, an analyses of the organization's "commerce" across participants and departmental sources and uses of funds statements are generated at step 104. These are done in a manner that the participant deems relevant to understand and explain itself financially internally.

After all of the transactions have been correctly identified and categorized all its financial transactions, customized departmental statements are generated at step 106. Using defined logic and rules, relevant data contained in the customized departmental statements are used to generate standard departmental statements at step 108. The departmental statements are used to form the basis of the comparative database and are used to develop the comparative departmental ratios at step 110. Using the ratios and the other information, reports are generated for each participant.

In the most preferred embodiment, there are seven reports generated: custom triangle and supporting statements, standard triangle and supporting statements, customized departmental statements, standard department statements, departmental ratios by participants, ratios by department across participants, aggregate department sources and uses per FTE.

Referring back to step 102, all transactions between the participants which result in economic interdependencies need to be identified whether cash or non-cash. Cash transaction typically represent the following categories: support/funds provided; payment for service; and expense reimbursement or revenue passthrough.

5 Non-cash transaction that represent a transfer of value include unreimbursed expenses and funds generated and retained. Unreimbursed expenses are expenses incurred on behalf of another operating activity that are requested or needed by that activity but are not charged back or reimbursed. Funds generated retained are funds generated from operating activities that are retained at executive or central levels.

10 By aggregating both cash and non-cash transactions as part of the analysis of the transfer of value ("funds flow") that occurs across missions of an AHC or between mission operating activities and the institution or community: spending on behalf of another entity has the same result in terms of a transfer of value as providing funds or receiving and retaining funds generated from another entity's operating activities as receiving funds.

15 Cash and non-cash "flow of funds" categories are further combined into two basic categories of support and payment for services. The support category consists of support given, unreimbursed expense and funds generated retained. The payment for services category consist of purchased services across operating activities, payment for central services and payment for clinical services. Purchased services across operating activities include physician leadership, physician service, physician incentives and non-physician. The payment for central services are payments to the university, vice-president of health affairs (VPHA) and health system. The payment for clinical services includes payments from government, e.g., state, county and community.

Referring to Figure 3A , a block diagram of the payment for service definition from the hospital's perspective is illustrated. For a hospital expense incurred at either the faculty care practice or school of medicine 202, the hospital must decide whether to reimburse the participant for the expense or not. For reimbursable expenses 204, the expense is for either a faculty clinical practice or school of medicine core service 206 or not for a faculty clinical practice or school of medicine core service 208. If the core service is needed or required 210, then the service is considered as a purchased service 212. If the core service is not a needed or required, then the service is a purchased service with the fair marker value needing to be determined 214. Thus, an entity would pay for another entity for core service at the appropriate level to support the buyer's mission operating activities (hospital clinical mission, faculty clinical mission, and school of medicine research and teaching missions).

Referring to Figure 3B, a block diagram of an expense reimbursement from the hospital's perspective is illustrated. For a hospital expense incurred at either the faculty care practice or school of medicine 202, the hospital must decide whether to reimburse the participant for the expense or not. For reimbursable expenses, the expense is for either a faculty clinical practice or school of medicine core service 206 or not for a faculty clinical practice or school of medicine core service 208. For a non-core service the expense is reimbursed 216. Thus, a participant would reimburse another entity's expenses that support the buyer's mission operating activities but are not core services for the seller.

Referring to Figure 3C, a block diagram of an unreimbursed expense for support from the hospital's perspective is illustrated. For a hospital expense incurred at either the faculty care practice or school of medicine 202, the hospital must decide whether to reimburse the participant for the expense or not. For non reimbursable

expenses by the hospital 218, the expense is labeled as support 222 if it is need or affected by the hospital 220 and expense is considered a faculty clinical practice or school of medicine expense 224 if it was not needed or affected by the hospital 220. Thus, expenses incurred on behalf of another operating activity (people, space, service, capital) that are requested or needed by that activity are reimbursed.

As depicted in Figure 4, a financial model/logic for support and purchased services across operating activities is illustrated. Each participant provides support categorized as support given A and unreimbursed expenses B to other participants. The support given A is broken into two categories: the funds the hospital 14 provides to the school of medicine 12 for investment in programs and services; and the funds faculty clinical practice 16 clinical department provides to the school of medicine 12 clinical department counterpart (transfers and contributions). The unreimbursed expenses B is broken into four categories: the expenses the school of medicine 12 provides for the teaching and supervision of residents to the hospital 14 without reimbursement; the expenses the hospital 14 spends employing the physician assistants and nurse practitioners who benefit the faculty clinical practice 16; the expenses the faculty clinical practice 16 provides medical direction to the hospital 14 without reimbursement; and the faculty clinical practice 16 incurs related to research and teaching (e.g., payment of faculty salaries, non-faculty salaries, supplies, etc).

In addition, joint venture support C is provided between the faculty clinical practice 16 and the hospital 14 based on differing levels of reimbursement for patient populations including indigent and Medicaid. There also funds generated retained G which are funds from the school of management to faculty clinical practice 16. The funds are the dean's tax net of centrally provided funds.

The purchased services D across the operating activities include services for physician leadership, physician services, physician incentives and non-physician services. The hospital 14 pays the school of medicine 12 for teaching and supervising residents. The hospital 14 pays the faculty clinical practice 16 for medical direction, professional service (e.g., emergency room, pathology, etc.) and gainshare and incentive programs with faculty clinical practice 16 departments and physicians 16.

Referring to Figure 5, a financial model/logic for support and purchased services between operating activities and university, VPHA, health system 18 or state, county and community 20 is illustrated. Support includes support given E, F and K, unreimbursed expenses H and L and funds generated retained. Support given E, F, and K include: the state/university 18 providing annual funding to the school of medicine 12 for investment in programs and services; the hospital 14 providing funding to other university areas 18 (e.g., School of Nursing, School of Allied Health Provisions, etc.) for investment in programs and services; and the state 20 and university 18 providing funding to the hospital 14 for investment in programs and services. The unreimbursed expenses H includes the university providing central services at a level which exceed funds generated retained from the departments (e.g., tuition and fees retained, indirect cost recovery retained, etc.). The unreimbursed expenses L includes expenses incurred by the hospital 14 for provision of indigent care which exceeds reimbursement provided by the state and the expenses incurred by the faculty clinical practice 16 for provisions of indigent care which exceeds reimbursement provided by the state 20. The funds generated retained I include the funds the university retains from the funds generated by the

department (e.g., tuition and fees retained, indirect cost recovery retained) at a rate which exceeds the value of services provided by the university 18.

The payment for services include funds generated retained J and indigent care payment for service N. The funds generated retained include funds the university retains from the funds generated by the department (e.g., tuition and fees retained, indirect cost recovery retained, etc.) at a rate is less than or equal to the value or services provided by the university 18. The indigent care payment for service includes the funding/reimbursement the state provides the hospital 14 for the provision of care to patient populations including indigent and Medicaid and the funding/reimbursement to the faculty clinical practice 16 for the provision of care to patient populations including indigent and Medicaid.

Referring to Figure 6, a table of the transactions is illustrated.. The exemplary table provides information about the transactions including who is providing who funding (from/to), an index numbering each transaction, an ACT index number, whether the funds are given or are payment for service (S, PS), the description of the transaction, the amount of the transaction, and the source of the funding.

As depicted, indexes A₄, B₄ illustrate the support the hospital 14 gives to the faculty clinical practice 16. Index A₄ consists of \$1.5 M given for an ASC list. Index B₄ consists of \$1.5 M gives for hospital based clinics, enterprise-wide marketing, and enterprise-wide contracting. Index D₄ depicts the amount (\$7.7 M) the hospital 14 pays the faculty clinical practice 16 for services. The services are gain sharing and the emergency room contract of the ASC list. Index C depicts the funds (\$3.6 M) the faculty clinical practice 16 provides to the hospital 14.

Index A₂ depicts the support (\$1.8 M) the hospital 14 gives the school of medicine 12. The support is given for the ASC list. In turn, index A₁ depicts the

support (\$1.5 M) the school of medicine 12 gives the hospital. This funding is for supporting the residency program.

Index A_5 depicts the support (\$49.2 M) the school of medicine 12 gives the faculty clinical practice 16. The support is given for the faculty salaries paid out of the clinical funds and clinical expenses. In turn, index A_6 depicts the support (\$47.9 M) the faculty clinical practice 16 gives the school of medicine 12. This funding is for supporting the net income transfer. Index B_6 depicts the support (\$10.6 M) the faculty clinical practice 16 gives the school of medicine 12. The support is given for paying the faculty salaries for research and teaching from the clinical mission. Index G depicts the support (\$3.7 M) the faculty clinical practice 16 gives the school of medicine 12. The support is given for paying the dean's tax.

Index M_2 depicts the support (\$73.2 M) the state 20 pays the hospital 14 for services. The services are for the net revenue for indigent care and tobacco tax revenue. Index L_2 depicts the support (\$21.9 M) the hospital 14 gives the state for unreimbursed indigent care and additional losses the hospital 14 incurs due to resetting indigent care. Index K_2 depicts the support (\$18.5 M) the state 20 pays the hospital 14 for services. The services are for the Medi-CAL graduate medical education (GME) funds and clinical teaching support. Index J_2 depicts the support (\$2.9 M) the hospital 14 pays the university 18 for services. The services are for the central services charged.

Index M_3 depicts the support (\$7.9 M) the state 20 gives the faculty clinical practice 16 for cost in excess of reimbursement for payments received for indigent care. Index L_3 depicts the support (\$3.6 M) the faculty clinical practice 16 gives the state for cost in excess of reimbursement for indigent care and reimbursement gained in resetting indigent care. Index J_3 depicts the support (\$.6 M) the faculty

clinical practice 16 pays the university 18 for services. The services are for the central services charged.

Index I₁ depicts the support (\$8.6 M) the school of medicine 12 pays the university for services. The services are for the ICR retained, tuition and fees received and expenses at the university. Index E₁ depicts the support (\$49 M) the university 18 gives the school of medicine 12 for state funds and expenses at the dean.

Referring to Figure 7, a chart of the internal commerce between the operating activities for each type of service is illustrated. This chart is created by using the information from the previous charts and tables. The rows consists of the purchased services, e.g., physician leadership, physician service, physician incentive, non-physician, and supervision and teaching. The columns consist of who provided the services and who received the services, e.g., hospital to school of medicine, hospital to faculty clinical practice, school of medicine to faculty clinical practice, school of medicine to hospital, faculty clinical practice to hospital and faculty clinical practice to school of medicine.

Referring to Figure 8, a summary sheet is illustrated. The sheet organizes the information from the chart illustrated in Figure 6. As shown, the transactions between the different operating activities are shown. Similarly, the transactions between the operating activities and the university/VPHA/Health System and the transactions between operating activities and the government (state/county/community) are illustrated. These transactions are categorized as either support or payment for support. The support category is further broken into four categories/columns: given, unreimbursed, funds generated retained > centrally provided, and joint venture. A sum of these four categories is in a total column.

At the bottom, the total of each category is tallied for each column is calculated for each operating center, as well as for the university/VPHA/Health system and government. If the totaled figure is a gain, then the figure is labeled as net support and for losses, the figure is labeled as net services purchased from (sold).

Referring to Figure 9, a financial model/logic for support and purchased services across and between operating activities is illustrated. The cash and non-cash transactions are aggregated into three basic levels: across mission operating activities (school of medicine 12, hospital 14, and faculty clinical practice 16); between mission operating activities and the university/state 22 and between the operating activities and the office of the vice-chancellor health systems (OVCHS) 24.

Referring to Figures 10A-E, charts of the fund flows for programs and services across operating activities is illustrated. The exemplary table provides information about the transactions including an index numbering each transaction, who is providing who funding (from/to), whether the funds are given or are payment for service (S, PS), the type of funding, the category of the funding, the amount of the transaction, the description of the transaction, the amount of the transaction, and the source and point of contact for the funding.

Referring to Figure 10A, a chart having the funding flows for programs and services is illustrated. The hospital 14 gives funding support to the faculty clinical practice 16 for state appropriations and state paid benefits to model clinics at the hospital's discretion; state appropriations passed through (cash) and benefits (non-cash); joint venture clinic operations; and contracts between the hospital 14 and school of medicine clinical departments and faculty including salaries (cash) and benefits (non-cash) for medical directorships, chiefs of service, program directors, as

well as for investment in program and services. Funds for the joint venture clinic operations include funding for sharing losses and profits, annual reconciliation verse quarterly (cash flow), expected verse actual collections and medical doctors professional fees (based on sharing formula); low indirect cost/overhead rate, and payment for ambulance care medical directorships. There is also unreimbursed expenses between the hospital 14 and the faculty clinical practice 16 for program and services. These expenses include billing which is 8% of net revenue (non-cash) and A/R funding which is 5% for 80 days (non-cash). The faculty clinical practice 16 has unreimbursed expenses with the hospital 14 for faculty effort benefiting the hospital 14 and unfunded medical direction salaries and benefits (non-cash). There is also an unquantified amount which is inherent in the AMC system, for lack of standardization and equipment.

Referring to Figure 10B, a chart having the funding flows for the office of the vice chancellor of health system (OVCHS) and strategic investment fund (SIF) is illustrated. The hospital 14 provides funding support to the OVCHS for funding of the strategic investment fund (SIF) net of expenditures on hospital projects. The hospital 14 also incurs unreimbursable expenses on behalf of the faculty clinical practice 16 for funding the OVCHS office. The OVCHS, in turn gives support to the faculty practice clinic 16 for SIF expenditures, faculty salaries (cash), faculty benefits (non-cash) and other expenditures (cash). The OVCHS also gives support to the school of medicine 12 for SIF expenditures, faculty salaries (cash), faculty benefits (non-cash) and other expenditures (cash). The faculty clinic practice 16 pays the OVCHS for services. These services are for funding from MDs for marketing (cash).

Referring to Figure 10C, a chart having the funding flows for public aid and for the prisoner population is illustrated. The state funds the hospital 14 and faculty

clinical practice 16 for clinical services for the public and prisoners. However, both the hospital 14 and faculty clinical practice 16 incur unreimbursed expenses in supporting these clinical services. The unreimbursed expenses are a result in the shortfall of the public aid and prison population before reimbursement reset. There is also expenses incurred from the reimbursement foregone under reset.

Referring to Figure 10D, a chart having the funding flows for research and training is illustrated. The hospital 14 incurs an unreimbursed expense for supporting the school of medicine 12. This expense is for clerical and other support for the research. The school of medicine 12 also pays the hospital 14 for hospital services for research for such items as beds, labs, x-rays, etc. The faculty clinical practice 16 gives funding support to the school of medicine 12. The funds are for the dean's tax (cash) of the net of services provided. In addition, the faculty clinical practice 16 incurs an unreimbursed expense for payment of faculty salaries and benefits for research efforts, as well as payment of non-faculty salaries and benefits for research and teaching efforts. The faculty clinical practice 16 incurs unreimbursed expenses for faculty effort benefiting the hospital 14, e.g. committee meetings. Similarly, school of medicine 12 also gives support to the hospital 14 for its residency program. As a result, the school of medicine 12 incurs unreimbursed expenses for faculty effort benefiting the hospital 14, e.g. supervision of house staff.

Referring to Figure 10E, a chart having the funding flows for central provided services is illustrated. The university/state support the school of medicine 12 (including the basic science departments) with state appropriations to the departments for research and teaching (cash) and state paid benefits (non-cash). The university/state support the hospital 14 with state appropriations (cash). The hospital 14 supports the university for other colleges, i.e., health professions,

pharmacy, nursing (cash). The hospital pays the university/state for purchased service from the nursing and dentistry colleges (cash). The university/state support the hospital 14 for maintenance, utilities, and A&G (non-cash). The university/state support the OVCHS with state funding including excellence in academics (cash).

5 The hospital 14 pays the university/state for services. These services are central service charges (i.e., overhead for university/campus administration). The school of medicine 12 pays for central services. The university/state supports the school of medicine 12 for services provided in excess of funds generated retained (non-cash). The faculty clinical plan 16 pays the school of medicine 12 for services including dean's tax applied toward services provided by the dean for the faculty clinical practice 16 (cash).

Referring to Figure 11, a table of the purchased services and support by the hospital is illustrated. Using the above information from the tables/charts, an exemplary table listing the purchased services by the hospital (cash), the purchased service by the hospital (benefits - non-cash), medical service plan (MSP) support to the hospital (non-cash), MSP support to the hospital (benefits -non-cash), total salary value of the services provided to the hospital, total benefits value of the service provided to the hospital, hospital support to MSP (cash), hospital support to MSP (benefits -non-cash); hospital cash payments to MSP, hospital non-cash payments to 15 MSP, and total hospital cash and non-cash payments to MSP are listed in columns for each department, listed in the rows. Each column is tallied, and the total cash payments per salary schedule (excluding ambulance care medical directorships) are determined as well as the variance.

Referring to Figures 12A-B, a chart of the strategic investment fund is 25 illustrated. This columns are broken into the expenditures/transfers out, department

attributed for funds flow, UIC attribution by department, description, school of medicine, hospital, MSP, faculty salaries for the school of medicine, all other school of medicine, faculty salaries for MSP, all other MSP, and the total. The rows are broken into different administrations and the hospital's administrations. Each column is tallied to determine the total expenditure/transfer out of the different entities.

Referring to Figure 13, an exemplary list of the reporting departments is illustrated. For reporting, data is collected at any level which will be useful for internal analyses. In the preferred embodiment, every effort is made to report separately all departments and sections indicated with an * and some departments may be rolled into a parent party. In the preferred embodiment, data is collected for the following departments: anesthesiology*, dermatology*, emergency medicine*, family medicine*, internal medicine*, neurology*, obstetrics/gynecology*, pediatrics*, physical medicine/rehabilitation medicine*, psychiatry*, radiology*. Pathology*, and surgery*. Internal medicine is a parent department and includes general internal medicine, cardiology*, endocrinology/metabolism, geriatrics, gastroenterology*, hematology/oncology*, infectious diseases, nephrology, pulmonary disease*, and rheumatology. Obstetrics/gynecology is a parent department and includes gynecology oncology, maternal and fetal medicine and reproductive endocrinology. Pediatrics is a parent department and includes general pediatrics, pediatric cardiology, pediatric critical care, pediatric endocrinology, pediatric gastroenterology, pediatric neonatal medicine, pediatric neurology, and pediatric pulmonology. Radiology is a parent department and includes nuclear medicine, radiation oncology* and diagnostic radiology*. Pathology is a parent department and includes anatomic pathology, clinical pathology and basic science. Surgery is a parent department and includes cardiovascular surgery, general surgery, neurological surgery*,

ophthalmology*, orthopedic surgery*, otorhinolaryngology*, pediatric surgery, plastic surgery, urology*, and vascular/thoracic surgery.

Referring to Figure 14, an exemplary departmental fund flow income statement is illustrated. As depicted, the excess or deficit funds is the funds generated by the department plus the funds invested in the department minus the department's expenses. In this example, the funds generated include clinical revenue, research revenue, tuition and fees, and purchased administration. The funds invested include departmental and institutional funds. Departmental funds include endowment income, investment income and gifts. Institutional funds include the dean's allocation of state and institutional funds, other institutional funds, centrally provided services less retained funds generated and taxes on funds generated. Expenses include expenses managed at the department as well as expenses managed centrally.

Referring to Figures 15A-B, sources of funds for the school of medicine 12, both externally generated funded research and other academic areas and the faculty clinical practice 16 are illustrated. Externally funds are defined as funds generated from external sources related to current operating activities of the research, teaching and clinical missions. External funds include net patient care revenue, direct expense reimbursement - Federal and non-Federal, indirect cost recovery - Federal and non-Federal, tuition and fees, direct paid salaries, other externally generated funds.

Line 1 is the Net Patient Care Revenue which includes revenue generated from patient care activities. Lines 2 and 3 are Direct Reimbursement (DER), Federal and non-Federal, which include the portion of grant and contract funding for direct expenses (expenses received directly at the department and accounted for at the

department). Grant and contract funds are attributed to research, teaching (e.g., teaching and training grants) or clinical (e.g., public service contracts to provide clinical care) mission activities. Direct expense reimbursement is identified separately for Federal and non-Federal funding sources. Lines 4 and 5 are Indirect
5 Cost Recovery (ICR), Federal and non-Federal, which are portions of grant funding for institutional overhead expenses. Indirect cost recovery is identified separately for Federal and non-Federal funding sources. Line 6 is Tuition and Fees which are student payments for tuition and fees allocated to a department. Payments are not received directly at the departments are reported here and will have an equal
10 amount on Line 29 in the "Funds Generated Retained" section. Line 7 is the Direct Paid Salaries which are faculty compensation received directly from external sources related to current operating activities of the research, teaching or clinical missions (e.g., Veteran Administration direct paid salaries for patient care services). There will be an equal expense amount reported as line 44 - Direct Paid faculty Salaries and Benefits). The other externally generated funds in lines 8a and 8b are other
15 external funds related to research, teaching and clinical mission activities not included in lines 1-7. Line 10 is the subtotal which is calculated by adding lines 1-8.

Internally generated funds are defined as funds generated from the internal sale and purchase of services related to research, teaching and clinical missions.
20 For example, a hospital 14 may purchase medical director services or other physician leadership activities. Internal funds generated includes payments received for services (lines 11 and 12) as well as unreimbursed services (lines 13 and 14). Sale and purchases of services involving the hospital 14 are include in line 11. Unreimbursed services involving the hospital 14 are included in line 13.
25 Unreimbursed services will have an equal offsetting amount recorded on lines 34 or

35 as support to other operating units. Line 16 is the subtotal which is calculated by adding lines 11-14. Line 17 is the total funds generated which is calculated by adding lines 10 and 17.

Institutional Investment includes funds committed to a program or department from University, Health System, Dean or other executive/central level sources. These include funds provided and expenses incurred on behalf of departments that are in excess of external funds generated related to department research, teaching and clinical mission activities that are retained or taxed by executive/central levels.

Lines 18-21 are funds provided from the University, Health System, Dean and other sources. These funds are provided by the executive level sources to a program or department, e.g., Dean's allocations and commitments. Line 22 is the subtotal which is calculated by adding lines 18-21.

Lines 23-26 are expenses incurred on behalf of a department from the University, Health System, Dean and other sources. Overhead and centrally managed expenses incurred on behalf of departments at executive and administrative/central levels that are not charged to departments, e.g., centrally provided services, dean's office expenses, etc. Line 27 is the subtotal which is calculated by adding lines 23-26.

Lines 28-30 are funds generated retained from the research/ICR retained, teaching and clinical. External funds generated related to department research, teaching and clinical mission activities that are retained or taxed by executive levels, e.g., ICR or tuition and fee revenue retained at executive/central levels, dean's taxes on clinical revenues, taxes on internal transactions, interest income on clinical funds retained at executive levels. Line 31 is the subtotal which is calculated by adding lines 28-30.

Lines 38-35 are directed to support between AMC operating units and include:
funds committed to a program or department from other operating units (hospital
14s, school of medicine 12, faculty clinical practice 16); expenses incurred at the
operating level on behalf of another operating unit that are not reimbursed; and
unreimbursed services across operating units reported on lines 13 or 14.
Transaction involving the hospital 14 are separately identified. Line 32 are funds
committed to a program or department from other operating units, involving the
hospital 14. Line 33 are funds committed to a program or department from other
operating units, not involving the hospital 14. Line 34 are expenses incurred at the
operating level on behalf of another operating unit that are not reimbursed, involving
the hospital 14. Unreimbursed services across operating units reported on line 13.
Line 35 are expenses incurred at the operating level on behalf of another operating
unit that are not reimbursed, not involving the hospital 14. Unreimbursed services
across operating units reported on line 14. Line 37 is the subtotal which is calculated
by adding lines 32-35

Lines 38-40 are directed to departmental investment which includes: funds
committed to operative activities from departmental non-operating; funds committed
to operative activities from departmental operating sources across missions; and
expenses incurred within a department on behalf of another mission that are not
reimbursed. Line 38 are funds committed to operative activities from departmental
operating sources across missions, e.g., transfers from faculty clinical practice 16 to
support research and teaching missions within a department. Line 39 are expenses
incurred within a department on behalf of another mission that are not reimbursed,
e.g., payment of faculty salaries from clinical mission funds in excess of effort at the
clinical mission. Line 40 are funds committed to operating activities from

departmental non-operating sources, e.g., use of endowment or interest income earnings, use of prior period reserves, patent and royalty income. Line 41 is the subtotal which is calculated by adding lines 38-40. Line 42 is the total funds invested. Line 43 is the total for the sources of funds.

Referring to Figure 15C, uses of funds for the school of medicine 12, both externally funded research and other academic areas and the faculty clinical practice 16 are illustrated. Lines 44-56 are directed to funds managed at a department which includes expenses managed at the department. Line 44 reflects direct paid salaries from sources outside the AMD, e.g., Veteran Administration direct paid salaries for patient care activities. Line 45 is an adjustment to an accounting firm to match effort by mission to faculty salary and benefit expense by mission. This is based on participant reported time and effort by mission and relationship of medical group management association (MGMA) faculty compensation expense to clinical mission production. Lines 46 and 47 reflect department paid faculty salaries and benefits, respectively. Lines 48 and 49 reflect department paid non-faculty salaries and benefits, respectively. Line 50 is the subtotal which is calculated by adding lines 44-49.

Line 51 are the expenses managed at the department not included in lines 44-49, e.g., non-compensation expenses. Line 52 is the indirect cost recovery money returned to the departments. Line 53 reflects the unreimbursed expenses supporting operating activities included in lines 34 and 35. Line 55 is the subtotal which is calculated by adding lines 51-53. Line 56 is the total managed at the department.

Lines 57-61 are directed to other sources of funds which include expenses managed at executive/central levels. Lines 57-60 reflect allocations of overhead and centrally managed services included in lines 23-26 and are directed to the university,

health system, dean, and others, respectively. Line 61 is the subtotal which is calculated by adding lines 57-60. Line 62 is the total uses of funds. Line 63 is the total sources over or under the uses of funds. Line 64 is the use of the prior period reserves. Line 64 is directed to the use of prior period excess to support current operating period. This includes net transfers into current operating funds. Line 65 is the total sources over or under the uses of funds.

Using the above information, customized and standard statements can be generated. The key focus of the analysis is identification and quantification of the internal commerce occurring between the school of medicine, faculty practice, and hospital, as well as other entities, such as the parent university and government. Commerce includes monetary payments and services, which may or may not be charged.

A further refinement of the description of AHC commerce is to define all monetary and non-monetary transfers between corners of the triangle that represent investment/support, which is defined as a non reciprocal transfer which results in one operating unit receiving a benefit without experiencing a corresponding sacrifice, or a purchased service, defined as a reciprocal transfer or exchange in which an operating unit both receives a benefit and performs a service. A purchased service may have imbedded within it support. For example, one of the major types of purchased services identified is the payment to physician faculty for management and supervision of hospital units, e.g., the medical director function. In order to properly account for all the services, the fair market value (FMV) needs to be determined for the services.

The clinical department reports, whether customized or standard, follow the same logic: Customized Statements may contain sources or uses of funds, which the

participant wishes to specifically identify -- e.g., clinical income from a specific contract or support from an unusual source. In the Standard Departmental Statements, two mappings have taken place. First, the department or divisions have been aggregated into a specific set of clinical departments (See Figure 13) Second, the line items under the Standard Departmental Statements are identical for each participant and all departmental sources and uses of funds have been mapped to appropriate common line items.

Referring to Figure 16, an exemplary customized departmental statement for the anesthesiology department is illustrated. As shown, the left column are described with respect to Figures 15A-C. The rest of the columns are broken into the school of medicine, practice plan, hospital/ambulance accounts and the total. The school of medicine column is further broken down into research, other academic and GME columns. Each participant receives its own customized supporting statements. Additional examples of customized department statements for other departments are attached in appendix A.

Referring to Figure 17, an exemplary standard departmental statement for the anesthesiology department is illustrated. As shown, the left column are described with respect to Figures 15A-C. The rest of the columns are broken into the school of medicine, practice plan, hospital/ambulance accounts and the total. The school of medicine column is further broken down into externally funded research and other academic columns. Each participant receives all the participants Supporting Statements. Additional examples of standard department statements for other departments are attached in appendix A.

From the standard departmental statements a series of ratios have been identified which construct a picture of a department's clinical and research

productivity, its efficiency and its dependency on various forms of activity and support. Examples of productivity ratios include funds generated, research and clinical, per full time faculty member in the department; funds generated as a percentage of total sources of funds; research funds generated per funds invested.

5 Departmental ratios by participants are generated into a report. This report is constructed for each participant, showing its departments side-by-side for a given ratio analysis. In addition, ratios by department across participants are generated into a report. This report is constructed by department, showing the participants side-by-side for a given ratio analysis. Each participant receives the ratios for all
10 participants for comparison. An aggregate of department sources and uses per FTE is generated into a report. This report is an aggregate of different clinical departments--it is not for any particular participant. It provides sources and uses information on an FTE basis that can be used to construct analyses of a participant's department relative to the aggregate benchmark data from all participants.

15 The reports can be provided in a variety of manners. In one embodiment, the reports are provided as hard copies. In yet another embodiment, the reports are provided on a memory medium such as a floppy disk or compact disc. In the preferred embodiment, the reports are available via a network, such as the Internet. Providing the reports via an electronic media, such as either of the later
20 embodiments, the individual participants to re-arrange and re-analyze the data to meet local educational and management needs. Several participants have already determined which key measures they wish to track and provide to enterprise leadership. To support this activity, each participant also receives a series of diskettes containing the seven funds flow reports in a digital format.

Participants use the deliverables from the funds flow project in a number of ways. The analyses help quantify the value of the clinical mission. A number of previous participants have used these results to explain the AHC clinical enterprise to external constituencies. The data can be used to support negotiations and to rationalize contracting between the system participants. The results are especially intended to support analyses of departmental operating issues and promote departmental accountability.

Implementation of information from the funds flow analysis is the most challenging aspect of the project. Experience of early participants is that all funds financial management promoted by this activity evolves over several years. First, a knowledge base of clinical enterprise flow of funds and departmental financing needs to be established, with validation and acceptance by interested parties. The financial management concepts and tools provided by the analysis need to be incorporated into the organization's way of doing business. At this point, the organization is ready to revisit and revise investment and support arrangements that have been identified and begin to establish goals and manage under new accountabilities. The latter usually occurs when the organization undertakes mission-based budgeting and the other participants of mission-based financial management.

A standardized report can be generated for each participant. A standard report allows participants to be compared to other participants. Thus, an emergency room participant can compare itself with a pediatrics participant. On a larger scale, the emergency room participant can compare itself with another emergency room participant from a different AHC hospital 14. Such comparisons allow for benchmarking and allows for participants to determine how other participants handle

similar costs and services, thus allowing participants to reduce costs and increase their service to costs ratios.

The categories of funding sources and uses as defined provide participants with the ability to analyze the total economics of mission operating activities and to compare productivity, efficiency and total investment in operating activities across participants. These analyses over time by participant and across participants are supported by the ability to identify total productivity, total investment, total expenses, institutional support and investment across missions.

The total productivity are the total funds generated from operating activities, whether received and managed at the department level or retained at administrative/executive/central levels to fund overhead and centrally managed activities that support mission operating activities. The total investment is the investment required to support operating activities, both funds provided to and expenses incurred on behalf of departments. Total expenses are the expenses supporting mission operating activities, including those managed at the executive or central levels and those incurred on behalf of departments. Institutional support is for the support in mission operating activities as funds provided plus expenses incurred directly on behalf of departments net of funds generated from operating activities that are retained at institutional levels to fund overhead and centrally managed services. The investment across missions occurs both across AMC operating units and within departments as well as investment in mission operating activities at the institutional level.

The following are the definitions for the key ratios, to determine productivity and efficiency, the following ratios are used: (1) External funds generated per faculty full time equivalent (FTE) is the ratio of the total external funds generated verse the

full time equivalent faculty; (2) Internal funds generated per faculty full time equivalent (FTE) (excludes teaching and supervision of residents) is the ratio of the internal funds generated verse the full time equivalent faculty; (3) Total funds generated per faculty full time equivalent (FTE) (excludes teaching and supervision of residents) is the ratio of the total funds generated verse the full time equivalent faculty; (4) Clinical external funds generated per faculty full time equivalent (FTE) is the ratio of the total clinical external funds generated verse the full time equivalent faculty; (5) Research external funds generated per faculty full time equivalent (FTE) is the ratio of the total research external funds generated verse the full time equivalent faculty; (6) total expenses as a percent of external funds generated (includes centrally provided) is the ratio of the total expenses (including centrally provided) verse the total external funds generated; (7) Total faculty compensation as a percent of external funds generated is the ratio of the total faculty compensation verse the total external funds generated; (8) Clinical non-faculty compensation as a percentage of clinical external funds generated is the ratio of the clinical non-faculty salaries and benefits verse the clinical external funds generated; and (9) Clinical non-faculty non-compensation expense as a percentage of clinical external funds generated (excludes centrally provided) is the ratio of the clinical non-compensation expenses (excludes centrally provided) verse the clinical external funds generated.

To determine efficiency and investment, the following key ratios are used: (1) Total Faculty Compensation per Faculty Full Time Equivalent (FTE) is the ratio of the Total Faculty Compensation verse the Full Time Equivalent Faculty; (2) Total Non-Faculty Compensation per Faculty Full Time Equivalent (FTE) is the ratio of the Total Non-Faculty Compensation verse the Full Time Equivalent Faculty; (3) Total Non-Faculty Non-Compensation Expenses per Faculty Full Time Equivalent (FTE)

(including Centrally Provided Services) is the ratio of the Total Non-Compensation Expenses verse the Full Time Equivalent Faculty; (4) Total Expenses per Faculty Full Time Equivalent (FTE) (including Centrally Provided Services) is the ratio of the Total Expenses verse the Full Time Equivalent Faculty; (5) Actual Funds Invested per Faculty Full Time Equivalent (FTE) is the ratio of Total Funds invested verse Full Time Equivalent Faculty; (6) Departmental Funds Invested per Faculty Full Time Equivalent (FTE) is the ratio of Departmental Funds Invested verse Full Time Equivalent Faculty; and (7) Centrally Provided Services per Faculty Full Time Equivalent (FTE) is the ratio of Centrally Provided Services verse Full Time Equivalent Faculty.

To determine productivity and efficiency for faculty compensation, the following key ratios are used: (1) Clinical external funds generated as a percent of total external funds generated is the ratio of clinical external funds generated verse total external funds generated; (2) Clinical faculty compensation as a percent of clinical external funds generated (includes faculty compensation reset) is the ratio of clinical faculty compensation verse total external funds generated; (3) Clinical faculty compensation as a percentage of total faculty compensation (includes faculty compensation reset) is the ratio of total non-compensation expenses verse full time equivalent faculty (FTE); (4) Clinical faculty compensation as a percentage of total faculty compensation (excludes faculty compensation reset) is the ratio of total expenses verse full time equivalent faculty (FTE); and (5) Clinical operating margin percentage of total operating margin is the ratio of clinical operating margin verse total operating margin.

To determine productivity for funds generated and funds invested, the following overall ratios are used: (1) Funds generated as a percentage of total funds

(excludes teaching and supervision of residents) is the ratio of the total funds generated verse total sources of funds; (2) Funds invested as a percentage of total funds (excludes teaching and supervision of residents) is the ratio of the total funds invested verse total sources of funds; (3) Funds generated verse funds invested (excludes teaching and supervision of residents) is the ratio of the total funds generated verse total sources of funds invested; (4) Total funds generated per FTE (excludes teaching and supervision of residents) is the ratio of the total funds generated verse full time equivalent faculty; and (5) Funds invested per FTE (excludes teaching and supervision of residents) is the ratio of the total funds invested verse full time equivalent faculty;

For external funds generated per total faculty salary plus benefits, the following ratios are used: (6) Clinical efficiency is the ratio of the clinical revenue verse total faculty salaries and benefits; (7) Externally funded research efficiency is the ratio of the direct and indirect research revenue verse total faculty salaries and benefits; (8) Other external funds generated efficiency is the ratio of other funds generated verse total faculty salaries and benefits;

For contribution of external funds generated to Total Faculty Salary plus Benefits (excludes centrally provided services), the following ratios are used: (9) Clinical efficiency is the ratio of the clinical revenue minus the clinical expenses paid at department other than faculty salaries and benefits verse total faculty salaries and benefits; (10) Externally funded research efficiency is the ratio of the direct and indirect research revenue minus research expenses paid at department other than faculty salaries and benefits verse total faculty salaries and benefits; and (11) Other external funds generated efficiency is the ratio of other funds generated minus other

academic expenses paid at department other than faculty salaries and benefits verse total faculty salaries and benefits.

For contribution of external funds generated to Total Faculty Salary plus Benefits (includes centrally provided services), the following ratios are used: (12)

5 Clinical efficiency is the ratio of the clinical revenue minus the clinical expenses paid at department other than faculty salaries and benefits verse total faculty salaries and benefits; (13) externally funded research efficiency is the ratio of the direct and indirect research revenue minus research expenses paid at department other than faculty salaries and benefits verse total faculty salaries and benefits; and (14) Other external funds generated efficiency is the ratio of other funds generated minus other academic expenses paid at department other than faculty salaries and benefits verse total faculty salaries and benefits.

For dependency, funding mix (%) (excludes teaching and supervision of residents), the following ratios are used: (1) External funds generated by the clinical ratio of the clinical ratio verse the total sources of funds; (2) External funds generated by the research DER ratio of the direct search revenue verse the total sources of funds; (3) External funds generated by the research ICR ratio of the indirect search revenue verse the total sources of funds; (4) External funds generated by the tuition and fees ratio of the tuition and fees verse the total sources
20 of funds; (5) Other external funds generated ratio of the other external generated verse the total source of funds; (6) Internal funds generated by sales and service ratio of the internally purchased services verse the total sources of funds; (7) Internal funds invested ratio of the funds is the ratio of the sum of the funds provided, expenses incurred and FG retained verse the total sources of funds; (8) Internal
25 funds invested by the support between AMC operating units is the ratio of the

support between AMC operating units verse the total sources of funds; and (9) Internal funds invested by the departmental investment is the ratio of the departmental investment verse the total sources of funds.

For efficiency - expense mix (%), the following ratios are used (1) The faculty salaries paid at the department ratio of the faculty salaries verse the total uses of funds; (2) The non-faculty salaries paid at the department ratio of the non-faculty salaries verse the total uses of funds; (3) The faculty benefits paid at the department ratio of the faculty benefits verse the total uses of funds; (4) The non-faculty benefits paid at the department ratio of the non-faculty benefits verse the total uses of funds; (5) The other paid at the department ratio of the other expenses paid at department verse the total uses of funds; (6) The efficiency of the expense mix (%) paid centrally is the ratio of the expenses paid centrally verse the total uses of funds; (7) The expenses as a percentage of external funds generated by the people for the faculty salaries and benefits is the ratio of the total faculty salaries and benefits verse external funds generated; (8) The expenses as a percentage of external funds generated by the people for the non-faculty salaries and benefits is the ratio of the total non-faculty salaries and benefits verse external funds generated; (9) The expenses as a percentage of external funds generated by others (including centrally provided) is the ratio of the sum of other expenses paid at department and expenses paid centrally verse external fund generated; (10) The expenses per full time equivalent for the total uses of funds per FTE (including centrally provided) is the ratio of total uses of funds verse the FTE faculty; (11) The expenses per full time equivalent for the non-faculty salaries and benefits per FTE is the ratio of the non-faculty salaries and benefits verse the FTE faculty; (12) The expenses per FTE for the total uses, excluding faculty salaries and benefits, per FTE is the ratio of the sum

of the total expenses paid at department and the expenses paid centrally minus the faculty salaries and benefits verse the FTE faculty; (13) The faculty compensation paid by the school of medicine 12 from externally funded research is the ratio of the faculty salary paid out of the externally funded research verse the total faculty salaries; (14) The faculty compensation paid by the school of medicine 12 from other funds is the ratio of the faculty salary paid out of other academic funds verse the total faculty salaries; (15) The faculty compensation paid by the faculty practice plan is the ratio of the faculty salary paid out of faculty practice plan funds verse the total faculty salaries; and (16) The faculty compensation per FTE is the ratio of the faculty salaries and benefits verse the FTE faculty.

Figures 18A-D are exemplary charts of the key ratios for the clinical departments. The rows contain values for the different key ratios for the different departments listed in the columns.

Figures 19A-B are exemplary charts of the key ratios for an anesthesiology department. Again, the rows contain values for the different key ratios for the different anesthesiology departments listed in the columns. The columns include the mean for the department as well as the standard deviation. In the preferred embodiment, each participant is given an institutional code. The purpose of the codes is to prevent a non-participant from gleaning participant-specific data from a report. Each participant receives the code key that identifies the participants.

Additional exemplary charts useful in carrying out the invention are attached in appendix A.

In order to gather and share all of the information as described above, at least portions of the invention are intended to be implemented on or over a network such as the Internet. An example of such a network is described in Figure 20.

Referring to Figure 20, a block diagram that illustrates a computer system 1100 upon which an embodiment of the invention may be implemented. Computer system 1100 includes a bus 1102 or other communication mechanism for communicating information, and a processor 1104 coupled with bus 1102 for processing information. Computer system 1100 also includes a main memory 1106, such as a random access memory (RAM) or other dynamic storage device, coupled to bus 1102 for storing information and instructions to be executed by processor 1104. Main memory 1106 also may be used for storing temporary variables or other intermediate information during execution of instructions to be executed by processor 1104. Computer system 1100 further includes a read only memory (ROM) 108 or other static storage device coupled to bus 1102 for storing static information and instructions for processor 1104. A storage device 1110, such as a magnetic disk or optical disk, is provided and coupled to bus 1102 for storing information and instructions.

Computer system 1100 may be coupled via bus 1102 to a display 1112, such as a cathode ray tube (CRT), for displaying information to a computer user. An input device 1114, including alphanumeric and other keys, is coupled to bus 1102 for communicating information and command selections to processor 1104. Another type of user input device is cursor control 116, such as a mouse, a trackball, or cursor direction keys for communicating direction information and command selections to processor 1104 and for controlling cursor movement on display 1112. This input device typically has two degrees of freedom in two axes, a first axis (e.g., x) and a second axis (e.g., y), that allows the device to specify positions in a plane.

Computer system 1100 operates in response to processor 1104 executing one or more sequences of one or more instructions contained in main memory 1106.

Such instructions may be read into main memory 1106 from another computer-readable medium, such as storage device 1110. Execution of the sequences of instructions contained in main memory 1106 causes processor 1104 to perform the process steps described herein. In alternative embodiments, hard-wired circuitry
5 may be used in place of or in combination with software instructions to implement the invention. Thus, embodiments of the invention are not limited to any specific combination of hardware circuitry and software.

The term "computer-readable medium" as used herein refers to any medium that participates in providing instructions to processor 1104 for execution. Such a
10 medium may take many forms, including but not limited to, non-volatile media, volatile media, and transmission media. Non-volatile media includes, for example, optical or magnetic disks, such as storage device 1110. Volatile media includes dynamic memory, such as main memory 1106. Transmission media includes coaxial cables, copper wire and fiber optics, including the wires that comprise bus 102.
15 Transmission media can also take the form of acoustic or light waves, such as those generated during radio-wave and infra-red data communications.

Common forms of computer-readable media include, for example, a floppy disk, a flexible disk, hard disk, magnetic tape, or any other magnetic medium, a CD-ROM, any other optical medium, punchcards, papertape, any other physical medium
20 with patterns of holes, a RAM, a PROM, and EPROM, a FLASH-EPROM, any other memory chip or cartridge, a carrier wave as described hereinafter, or any other medium from which a computer can read.

Various forms of computer readable media may be involved in carrying one or more sequences of one or more instructions to processor 1104 for execution. For
25 example, the instructions may initially be carried on a magnetic disk of a remote

computer. The remote computer can load the instructions into its dynamic memory and send the instructions over a telephone line using a modem. A modem local to computer system 1100 can receive the data on the telephone line and use an infra-red transmitter to convert the data to an infra-red signal. An infra-red detector can receive the data carried in the infra-red signal and appropriate circuitry can place the data on bus 1102. Bus 1102 carries the data to main memory 1106, from which processor 1104 retrieves and executes the instructions. The instructions received by main memory 1106 may optionally be stored on storage device 1110 either before or after execution by processor 1104.

Computer system 1100 also includes a communication interface 1118 coupled to bus 1102. Communication interface 1118 provides a two-way data communication coupling to a network link 1120 that is connected to a local network 1122. For example, communication interface 1118 may be an integrated services digital network (ISDN) card or a modem to provide a data communication connection to a corresponding type of telephone line. As another example, communication interface 1118 may be a local area network (LAN) card to provide a data communication connection to a compatible LAN. Wireless links may also be implemented. In any such implementation, communication interface 1118 sends and receives electrical, electromagnetic or optical signals that carry digital data streams representing various types of information.

Network link 1120 typically provides data communication through one or more networks to other data devices. For example, network link 1120 may provide a connection through local network 1122 to a host computer 1124 or to data equipment operated by an Internet Service Provider (ISP) 1126. ISP 126 in turn provides data communication services through the world wide packet data

communication network now commonly referred to as the "Internet" 1128. Local network 1122 and Internet 1128 both use electrical, electromagnetic or optical signals that carry digital data streams. The signals through the various networks and the signals on network link 1120 and through communication interface 1118, which
5 carry the digital data to and from computer system 1100, are exemplary forms of carrier waves transporting the information.

Computer system 1100 can send messages and receive data, including program code, through the network(s), network link 1120 and communication interface 1118. In the Internet example, a server 1130 might transmit a requested code for an
10 application program through Internet 1128, ISP 1126, local network 1122 and communication interface 1118. The received code may be executed by processor 1104 as it is received, and/or stored in storage device 1110, or other non-volatile storage for later execution. In this manner, computer system 1100 may obtain application code in the form of a carrier wave.

15 Computer workstation and computer systems such as those illustrated can be utilized to automate the analysis and reporting depicted herein.

Although the present invention has been described and illustrated in detail, it is clearly understood that the same is by way of illustration and example only and is not to be taken by way of limitation, the spirit and scope of the present invention
20 being limited only by the terms of the appended claims and their equivalents.

University Support and Purchased Services - To the SCHOOL OF MEDICINE

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Transactions Incremental to Cash Accounting Transactions

University Support and Purchased Services - To the FACULTY PRACTICE PLAN

	From the University													
	For Support							Purchased Services						
	Equity Transfer		Investment in Program		Incentive Arrangements			Incremental Accruals		Other		Total		Loans
	Incremental Accruals	Other	Incremental Accruals	Other	Incremental Accruals	Other	Total	Incremental Accruals	Other	Incremental Accruals	Other	Total	Total	Total
In the Practice Plan														
Administrative/Other														
Admission														
Admission/Other														
Emergency Medicine														
Health Medicine														
Neurology														
OB/GYN														
Orthopedic														
Oral Surgery														
Pathology														
Physical Medicine														
Preventive Medicine														
Psychiatry														
Radiation Oncology														
Pathology														
Pediatrics														
Allergy														
Cardiology														
Critical Care														
Endocrinology														
Gastroenterology														
General														
Hematology/Oncology														
Neurology														
Nephrology														
Pulmonary														
Radiation Oncology														
Other														
Total Pediatrics														
Surgeons														
Cardiology/Thoracic														
General														
Head														
Neuro														
Orthopedic														
Neurology/Oncology														
Neurology														
Neurology														
Transplant														
Urology														
Other														
Total Surgeons														
Medicine														
Allergy/Immunology														
Cardiology/Thoracic														
Critical Care														
Endocrinology														
Gastroenterology														
General and Internal														
Geriatrics/Gerontology														
Hematology/Oncology														
Infectious Disease														
Nephrology														
Neurology														
Neurology														
Pharmacology														
Other														
Total Medicine														
Other Clinical														
Total Clinical														
Basic Science														
Other Non Clinical														
Total														

Support and Purchased Services - To the UNIVERSITY

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Support and Purchased Services - To the UNIVERSITY

To the University

Transactions Incremental to Cash Accounting Transactions
Support and Purchased Services - To the UNIVERSITY

1 2 3 4 5 6 7 8 9 10 11 12

	To the University											
	For Support				Incentive Arrangements				Purchased Services			
	Equity Transfer		Investment in Programs		Incremental Accruals		Other		Incremental Accruals		Other	
	Incremental	Total	Incremental	Total	Incremental	Total	Incremental	Total	Incremental	Total	Incremental	Total
From the SON												
Dee's Office												
Accounting												
Development												
Emergency Medicine												
Family Medicine												
Genetics												
OB/GYN												
Ophthalmology												
Orthopedics												
Physical Medicine												
Physician's Medicine												
Prostate Medicine												
Radiation Oncology												
Radiology												
Pediatrics												
Allergy												
Cardiology												
Clinical Care												
Endocrinology												
Genetics												
General												
Hematology/Oncology												
Infectious Disease												
Neurology												
Nephrology												
Pharmacology												
Rheumatology												
Other												
Total Pediatrics												
Surgery												
Cardiovascular/Thoracic												
Colon and Rectal												
General												
Head												
Neuro												
Orthopedic												
Otolaryngology												
Plastic												
Spinal Medicine												
Transplant												
Urology												
Other												
Total Surgery												
Medicine												
Allergy/Immunology												
Cardiology/Intensive Care												
Clinical Care												
Endocrinology/Metabolism												
Gastroenterology												
General and Internal												
Geriatrics												
Hematology/Oncology												
Infectious Disease												
Nephrology												
Occupational Medicine												
Pulmonary Disease												
Rheumatology												
Other												
Total Medicine												
Other Clinical												
Total Clinical												
Basic Science												
Other Non-Clinical												
Total												

11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

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CONFIDENTIAL - SECURITY

Transactions Incremental to Cash Accounting Transactions
Support and Purchased Services - To the UNIVERSITY

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UNIVERSITY HEALTH SYSTEM Corporate Support and Purchased Services - To the HOSPITAL

From the UHHS Medical System Corporate																							
For Support												For Purchased Services											
Investment in Programs				Intensive Arrangements								Physician Services				Non-Physician Services				Internal Sales & Svcs.			
Contributions to Operations	Equity Transfer	Contributions to Endowments	Other	Total	Revenue Sharing	Ancillary	Ref Sharing	Other	Total	Dean's Pastthrough	Total Support	Medical Director	Program Mgmt.	Auxiliary Mgmt.	Other	Total	Facilities Operations	Admin Services	Other	Total	Total	Dean's Pastthrough	Total Perch. Svcs.

Transactions Incremental to Cash Accounting Transactions

VPIA/Health System Corporate Support and Purchased Services - To the FACULTY PRACTICE PLAN

1 2 3 4 5 6 7 8 9 10 11 12

From the VPIA/Health System Corporate

	Equity Transfer			Investment in Programs			Incentive Arrangements			Purchased Services			Totals
	Incremental	Other	Total	Incremental	Other	Total	Incremental	Other	Total	Incremental	Other	Total	
In the Practice Plan													
Administrative/Other													
Administrative													
Dermatology													
Emergency Medicine													
Family Medicine													
Neurology													
OB/GYN													
Ophthalmology													
Orthopedics													
Pathology													
Physical Medicine													
Preventive Medicine													
Psychiatry													
Radiation Oncology													
Radiology													
Pediatrics													
Allergy													
Cardiology													
Critical Care													
Endocrinology													
Gastroenterology													
General													
Hematology/Oncology													
Neurology													
Nephrology													
Pulmonary													
Rheumatology													
Other													
Total Pediatrics	0	0	0	0	0	0	0	0	0	0	0	0	0
Surgery													
Cardiovascular/Thoracic													
Colon and Rectal													
Ear, Nose and Throat													
Head													
Neuro													
Orthopedic													
Otolaryngology													
Plastic													
Sports Medicine													
Trauma													
Urology													
Other													
Total Surgery	0	0	0	0	0	0	0	0	0	0	0	0	0
Medicine													
Allergy/Immunology													
Cardiology/Coronary Disease													
Critical Care													
Endocrinology/Metabolism													
Gastroenterology													
Geriatric and Internal													
Hematology/Oncology													
Infectious Disease													
Nephrology													
Onco/Hemc Medicine													
Pulmonary Disease													
Rheumatology													
Other													
Total Medicine	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Clinical													
Total Clinical	0	0	0	0	0	0	0	0	0	0	0	0	0
Build Science													
Other Non Clinical													
Total	0	0	0	0	0	0	0	0	0	0	0	0	0

Transactions Incremental to Cash Accounting Transactions

VPHA/Health System Corporate Support and Purchased Services - To the HOSPITAL

	1	2	3	4	5	6	7	8	9	10	11	12	13
	From the VPHA/Health System Corporate												
	For Support												
	Equity Transfer			Investment in Programs			Incentive Arrangements			Purchased Services			
	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Total Support	Incremental Accruals	Other	Total
Teaching/CME													
Patient Care													
Total													

From the VPIA/Health System Corporate	To the VPIA Health System Corporate											
	For Support				For Purchased Services				Internal Sales & Svcs.			
	Contributions to Operations	Equity Transfer	Investment in Programs	Incentive Arrangements	Physician Services	Net Physician Services	Facilities Operations	Admin Services	Other	Total	Dee's Paythrough	Total Purch. Svcs.
Administrative/Other												
Accounting												
Emergency Medicine												
General												
OB/GYN												
Ophthalmology												
Podiatry												
Psychiatry												
Physician Services												
Admission												
Cardiology												
Chiropractic												
General												
Internal Medicine												
Neurology												
Orthopedics												
Pediatrics												
Physician Services												
Plastic Surgery												
Other												
Total Physicians												
Support												
Food and Beverage												
General												
Medical												
Other												
Pharmacy												
Physician Services												
Plastic Surgery												
Podiatry												
Psychiatry												
Other												
Total Support												
Medical												
Urology/Urology												
Cardiology												
General												
Internal Medicine												
Neurology												
Orthopedics												
Physician Services												
Plastic Surgery												
Podiatry												
Psychiatry												
Other												
Total Medical												
Other Support												
Food and Beverage												
General												
Medical												
Other												
Total Other Support												
Total												

Year	Age	Sex	Height (cm)	Weight (kg)	Body Mass Index (kg/m ²)	Waist Circumference (cm)	Hip Circumference (cm)	Waist-Hip Ratio
1990	10	M	140	35	1.79	60	80	0.75
1991	11	M	145	38	1.86	62	82	0.76
1992	12	M	150	40	1.93	64	84	0.77
1993	13	M	155	42	2.00	66	86	0.78
1994	14	M	160	45	2.06	68	88	0.79
1995	15	M	165	48	2.12	70	90	0.80
1996	16	M	170	50	2.18	72	92	0.81
1997	17	M	175	52	2.24	74	94	0.82
1998	18	M	180	55	2.31	76	96	0.83
1999	19	M	185	58	2.37	78	98	0.84
2000	20	M	190	60	2.44	80	100	0.85

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Support and Purchased Services - To the VPIA/Health System Corporate

From the Practice Plan	To the VPIA/Health System Corporate													
	For Support				Investment in Programs				Incentive Arrangements				Purchased Services	
	Incremental	Other	Total		Incremental	Other	Total		Incremental	Other	Total		Incremental	Total
Amidation/Other														
Anesthesiology														
Cardiology														
Emergency Medicine														
Family Medicine														
Internal Medicine														
Neurology														
Obstetrics/Gynecology														
Ophthalmology														
Oral Surgery														
Pathology														
Physical Medicine														
Preventive Medicine														
Psychiatry														
Public Health														
Radiology														
Pediatrics														
Allergy														
Cardiology														
Critical Care														
Endocrinology														
Gastroenterology														
General														
Hematology/Oncology														
Infectious Disease														
Nephrology														
Neurology														
Pharmacology														
Physiology														
Other														
Total Pediatrics														
Surgery														
Cardiovascular/Thoracic														
General														
Head														
Neuro														
Orthopedic														
Otolaryngology														
Plastic														
Spinal Cord														
Transplant														
Urology														
Other														
Total Surgery														
Medicine														
Allergy/Immunology														
Cardiology/Intensive Care														
Critical Care														
Endocrinology/Metabolism														
Gastroenterology														
General and Internal														
Geriatrics														
Hematology/Oncology														
Infectious Disease														
Nephrology														
Other/Tertiary Medicine														
Pulmonary Disease														
Rheumatology														
Other														
Total Medicine														
Other Clinical														
Total Clinical														
Basic Science														
Other Non Clinical														
Total														

Support and Purchased Services - To the VPH/HEALTH SYSTEM CORPORATION

From	To the VPH/Health System Corporate										To the VPH/Health System Corporate									
	For Support					For Purchased Services					For Support					For Purchased Services				
	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other
Unsupplied																				
Supplied																				
Total																				

Transactions Incremental to Cash Accounting Transactions
Support and Purchased Services - To the VPH/HEALTH SYSTEM CORPORATION

From	To the VPH/Health System Corporate										To the VPH/Health System Corporate									
	For Support					For Purchased Services					For Support					For Purchased Services				
	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other	Contributions to Operations	Equity Transfer	Investment in Programs	Revenue Sharing	Other
Unsupplied																				
Supplied																				
Total																				

Support and Purchased Services - To SUBSIDIARIES

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24

To Subsidiaries

Fund	For Support										For Purchased Services										Total	
	Contributions to Operations	Contributions to Endowments	Other	Total	Investment in Programs	Revenue Sharing	Revenue Sharing	Other	Total	Debt's Pastthrough	Medical Director	Program Mgmt.	Auxiliary Mgmt.	Physician Services	Facilities Operations	Admin Services	Other	Total	Internal Sales & Svcs	Debt's Pastthrough	Total	Total
Subsidiary 1																						
Subsidiary 2																						
Subsidiary 3																						
Subsidiary 4																						
Subsidiary 5																						
Subsidiary 6																						
Subsidiary 7																						
Subsidiary 8																						
Subsidiary 9																						
Subsidiary 10																						
Total																						
Subsidiary 11																						
Subsidiary 12																						
Subsidiary 13																						
Subsidiary 14																						
Subsidiary 15																						
Subsidiary 16																						
Subsidiary 17																						
Subsidiary 18																						
Subsidiary 19																						
Subsidiary 20																						
Total																						
Subsidiary 21																						
Subsidiary 22																						
Subsidiary 23																						
Subsidiary 24																						
Subsidiary 25																						
Subsidiary 26																						
Subsidiary 27																						
Subsidiary 28																						
Subsidiary 29																						
Subsidiary 30																						
Total																						

Transactions Incremental to Cash Accounting Transactions
Support and Purchased Services - To SUBSIDIARIES

1 2 3 4 5 6 7 8 9 10 11 12 13 14

To Subsidiaries

From	Equity Transfer			Investment In Programs			Incentive Arrangements			Purchased Services			Total
	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	

School of Medicine:

To

- Subsidiary 1
- Subsidiary 2
- Subsidiary 3
- Subsidiary 4
- Subsidiary 5
- Subsidiary 6
- Subsidiary 7
- Subsidiary 8
- Subsidiary 9
- Subsidiary 10
- Total

Hospital:

To

- Subsidiary 1
- Subsidiary 2
- Subsidiary 3
- Subsidiary 4
- Subsidiary 5
- Subsidiary 6
- Subsidiary 7
- Subsidiary 8
- Subsidiary 9
- Subsidiary 10
- Total

Faculty Practice Plan:

To

- Subsidiary 1
- Subsidiary 2
- Subsidiary 3
- Subsidiary 4
- Subsidiary 5
- Subsidiary 6
- Subsidiary 7
- Subsidiary 8
- Subsidiary 9
- Subsidiary 10
- Total

VPHA/Health System Corporate:

To

- Subsidiary 1
- Subsidiary 2
- Subsidiary 3
- Subsidiary 4
- Subsidiary 5
- Subsidiary 6
- Subsidiary 7
- Subsidiary 8
- Subsidiary 9
- Subsidiary 10
- Total

[illegible]

Center Name:

For	For Support										For Purchased Services										Total			
	Equity Transfer				Investment in Programs			Incentive Arrangements			Physician Services				Non-Physician Services				Internal Sales & Svc.					
	Contributions to Operations	Contributions to Endowments	Other	Total	Total	Revenue Sharing	Ancillary	Rev Sharing	Other	Total	Dean's Paththrough	Total Support	Medical Director	Program Mgmt.	Ancillary Mgmt.	Other	Total	Facilities Operations	Admin Services	Other	Total	Dean's Paththrough	Total Purchased Svc.	
Practice Plan																								
Hospital																								
University																								
UPI Health System Corporate																								
From:																								
Practice Plan																								
Hospital																								
University																								
UPI Health System Corporate																								

Transactions Incremental to Cash Accounting Transactions Support and Purchased Services

To:	For Support										For Purchased Services									
	Equity Transfer			Investment in Programs			Incentive Arrangements				Purchased Services			Total						
	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total					
Practice Plan																				
Hospital																				
University																				
UPI Health System Corporate																				
From:																				
Practice Plan																				
Hospital																				
University																				
UPI Health System Corporate																				

Operating Information

Operating Information	SOM Dept 1				SOM Dept 2				SOM Dept 3				Allocation Basis	
	Total	Facilities	Admin	Other	Total	Facilities	Admin	Other	Total	Facilities	Admin	Other	Facilities	Admin
Research														
Direct Expense Reimbursement														
Indirect Expense Reimbursement														
Salaries and Benefits														
Other Personnel														
Transfer														
Allocated														
Other Received Directly														
Expense Paid at Disposition														
Facilities														
Non-Facility														
Facility Benefits														
Employee Benefits														
Supplies														
Repairs														
Utilities														
Security														
Library														
Other														
Expense Paid Indirectly														
Facilities Cost														
Operations and Maintenance														
General Administration														
Departmental Administration														
Departmental Support Administration														
Medical Administration														
Other														
Non-Facility Expense														
Facility Benefits														

Chart Number	Responsible Party	Source Document(s)	Notes/Comments
14			
15			
16			
17			
18			
19			
20			
21			
22			

	1	2	3	4	5	6
	Teaching and Training - Direct Expense Reimb.					
	Federal		Nonfederal	TOTAL	TOTAL CHART 6B	Net
	NIH	Other Federal	Total Nonfederal			
Anesthesiology				-	-	-
Dermatology				-	-	-
Emergency Medicine				-	-	-
Family Medicine				-	-	-
Neurology				-	-	-
OB/GYN				-	-	-
Ophthalmology				-	-	-
Oral Surgery				-	-	-
Pathology				-	-	-
Physical Medicine				-	-	-
Preventive Medicine				-	-	-
Psychiatry				-	-	-
Radiation Oncology				-	-	-
Radiology				-	-	-
Pediatrics:				-	-	-
Allergy				-	-	-
Cardiology				-	-	-
Critical Care				-	-	-
Endocrinology				-	-	-
Gastroenterology				-	-	-
General Peds				-	-	-
Hematology/Oncology				-	-	-
Neonatology				-	-	-
Nephrology				-	-	-
Pulmonary				-	-	-
Rheumatology				-	-	-
Other				-	-	-
Total Pediatrics	-	-	-	-	-	-
Surgery:				-	-	-
Cardiovascular/Thoracic				-	-	-
Colon and Rectal				-	-	-
General Surg				-	-	-
Hand				-	-	-
Neuro				-	-	-
Orthopedic				-	-	-
Otorhinolaryngology				-	-	-
Plastic				-	-	-
Sports Medicine				-	-	-
Transplant				-	-	-
Urology				-	-	-
Surgical Oncology				-	-	-
Total Surgery	-	-	-	-	-	-
Medicine:				-	-	-
Allergy/Immunology				-	-	-
Cardiology/Cardiovascular Disease				-	-	-
Critical Care				-	-	-
Endocrinology/Metabolism				-	-	-
Gastroenterology				-	-	-
General and Internal				-	-	-
Geriatrics/Gerontology				-	-	-
Hematology/Oncology				-	-	-
Infectious Disease				-	-	-
Nephrology				-	-	-
Occup./Envr. Medicine				-	-	-
Pulmonary Disease				-	-	-
Rheumatology				-	-	-
Other				-	-	-
Total Medicine	-	-	-	-	-	-
Other Clinical				-	-	-
Total Clinical	-	-	-	-	-	-
Basic Science				-	-	-
Specialized Cancer Center				-	-	-
Admin				-	-	-
Other Non Clinical				-	-	-
Other Non Clinical				-	-	-
Total	-	-	-	-	-	-

Source Documents:

Included in Departmental IFS (Y/N)

Source Document

CHECK AREA - Internal Research

[illegible]

Teaching and Training Grants - Indirect Cost Recovery

	1	2	3	4
	ICR Generated at the Department Level			TOTAL
	Federal		Nonfederal	
	NIH	Other Federal	Total Nonfederal	
Anesthesiology				
Dermatology				
Emergency Medicine				
Family Medicine				
Neurology				
OB/GYN				
Ophthalmology				
Oral Surgery				
Pathology				
Physical Medicine				
Preventive Medicine				
Psychiatry				
Radiation Oncology				
Radiology				
Pediatrics:				
Allergy				
Cardiology				
Critical Care				
Endocrinology				
Gastroenterology				
General Peds				
Hematology/Oncology				
Neonatology				
Nephrology				
Pulmonary				
Rheumatology				
Other				
Total Pediatrics				
Surgery:				
Cardiovascular/Thoracic				
Colon and Rectal				
General Surg				
Hand				
Neuro				
Orthopedic				
Otorhinolaryngology				
Plastic				
Sports Medicine				
Transplant				
Urology				
Surgical Oncology				
Total Surgery				
Medicine:				
Allergy/Immunology				
Cardiology/Cardiovascular Disease				
Critical Care				
Endocrinology/Metabolism				
Gastroenterology				
General and Internal				
Geriatrics/Gerontology				
Hematology/Oncology				
Infectious Disease				
Nephrology				
Occup./Envr. Medicine				
Pulmonary Disease				
Rheumatology				
Other				
Total Medicine				
Other Clinical				
Total Clinical				
Basic Science				
Specialized Cancer Center				
Admin				
Other Non Clinical				
Other Non Clinical				
Total				
Source Documents:				
Included in Departmental IFS (Y/N)				
Source Document				

Chart 2D
School of Medicine
ICR Returned/Retained Breakdown

	1	2	3	4	5	6
	ICR Returned to Originating Department					
	Total ICR Generated				ICR Returned to Dept	ICR Retained Centrally
	Research	Teaching	Public Service	Total	Total	
Anesthesiology				-		-
Dermatology				-		-
Emergency Medicine				-		-
Family Medicine				-		-
Neurology				-		-
OB/GYN				-		-
Ophthalmology				-		-
Oral Surgery				-		-
Pathology				-		-
Physical Medicine				-		-
Preventive Medicine				-		-
Psychiatry				-		-
Radiation Oncology				-		-
Radiology				-		-
Pediatrics:						
Allergy				-		-
Cardiology				-		-
Critical Care				-		-
Endocrinology				-		-
Gastroenterology				-		-
General Peds				-		-
Hematology/Oncology				-		-
Neonatology				-		-
Nephrology				-		-
Pulmonary				-		-
Rheumatology				-		-
Other				-		-
Total Pediatrics	-	-	-	-	-	-
Surgery:						
Cardiovascular/Thoracic				-		-
Colon and Rectal				-		-
General Surg				-		-
Hand				-		-
Neuro				-		-
Orthopedic				-		-
Otorhinolaryngology				-		-
Plastic				-		-
Sports Medicine				-		-
Transplant				-		-
Urology				-		-
Surgical Oncology				-		-
Total Surgery	-	-	-	-	-	-
Medicine:						
Allergy/Immunology				-		-
Cardiology/Cardiovascular Disease				-		-
Critical Care				-		-
Endocrinology/Metabolism				-		-
Gastroenterology				-		-
General and Internal				-		-
Geriatrics/Gerontology				-		-
Hematology/Oncology				-		-
Infectious Disease				-		-
Nephrology				-		-
Occup./Envr. Medicine				-		-
Pulmonary Disease				-		-
Rheumatology				-		-
Other				-		-
Total Medicine	-	-	-	-	-	-
Other Clinical				-		-
Total Clinical	-	-	-	-	-	-
Basic Science				-		-
Specialized Cancer Center				-		-
Admin				-		-
Other Non Clinical				-		-
Other Non Clinical				-		-
Total	-	-	-	-	-	-

Other External Sources of Funds

[illegible]

Each of the 19 cases analyzed was part of a longitudinal study that has been published in the "JGIM" column.

[illegible]

	1	2	3	4	5	6	7	8	9	10	11	12
	Number of Principal Investigators	Total Research Grants Applied For (\$)	Total Research Grants Awards (\$)	Total Research Grants Applied For (#)	Total Research Grants Awards (#)	SOM Not Square Feet	SOM Non Faculty FTEs	FPP Not Square Feet	FPP Non Faculty FTEs	Credit Hours/Teaching Effort	Student Headcount	
Basic Office												
Anesthesiology												
Cardiology												
Emergency Medicine												
Family Medicine												
Neurology												
OB/GYN												
Ophthalmology												
Oral Surgery												
Pathology												
Physical Medicine												
Preventive Medicine												
Psychiatry												
Radiation Oncology												
Radiology												
Pediatrics:												
Allergy												
Cardiology												
Critical Care												
Endocrinology												
Gastroenterology												
Hematology/Oncology												
Nephrology												
Neurology												
Pulmonary												
Rheumatology												
Other												
Total Pediatrics	0	0	0	0	0	0	0	0	0	0	0	0
Surgery:												
Cardiovascular/Thoracic												
Colon and Rectal												
General												
Head												
Neuro												
Orthopedic												
Otolaryngology												
Plastic Surgery												
Sports Medicine												
Transplant												
Urology												
Other												
Total Surgery	0	0	0	0	0	0	0	0	0	0	0	0
Medicine:												
Cardiology												
Cardiovascular Disease												
Chronic Disease												
Endocrinology/Metabolism												
Gastroenterology												
General and Internal												
Geriatrics/Gerontology												
Hematology/Oncology												
Hepatic Disease												
Infectious Disease												
Intensive Care Medicine												
Primary Care												
Rheumatology												
Other												
Total Medicine	0	0	0	0	0	0	0	0	0	0	0	0
Other Clinical												
Total Clinical	0	0	0	0	0	0	0	0	0	0	0	0
Basic Science												
Other Non Clinical												
Total	0	0	0	0	0	0	0	0	0	0	0	0

Hospital Graduate Medical Education

1 2 3 4

Sources of Funds for Graduate Education		Received From Payors		Received From Other Institutions	
	Medicare	Other:	\$ Received for Teaching Noninstitutional Based Residents	\$ Paid for Teaching Noninstitutional Based Residents	
Graduate Medical Education'					
Direct Medical Education'					
Total GME/IME					
Other Reimbursement for GME Teaching Grants/Scholarships					
Other					
Total All Sources	0	0	0	0	
Source Documents:					
Included in Departmental IFS (Y/N)					
Source Document:					

Indicate payors included in "Other" that provide GME reimbursement calculated in addition to overall rates:

Medicaid	Y	Y	N
BC/BS	Y	Y	N
Other	Y	Y	N
Other	Y	Y	N

Indicate additional payors that include GME in overall payment rates:

Medicaid	Y	Y	N
BC/BS	Y	Y	N
Other	Y	Y	N
Other	Y	Y	N

Note (1): Include reimbursement for GME calculated outside of overall payment rates.
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Resident/Fellow's Expense**Resident/Fellow's Expense**

	Resident Expense					Fellow Expense				
	Hospital	Faculty Practice Plan	School of Medicine	Other Direct Paid	Total	Hospital	Faculty Practice Plan	School of Medicine	Other Direct Paid	Total
Dean's Office										
Administrative										
Departmental										
Emergency Medicine										
Family Medicine										
Neurology										
OB/GYN										
Ophthalmology										
Otolaryngology										
Pathology										
Physical Medicine										
Preventive Medicine										
Psychiatry										
Radiation Oncology										
Radiology										
Pediatrics										
Allergy										
Cardiology										
Endocrinology										
Geriatrics										
Hematology/Oncology										
Infectious Disease										
Neurology										
Nephrology										
Pulmonary										
Rheumatology										
Other										
Total Pediatrics										
Surgery										
Cardiovascular/Thoracic										
Colon and Rectal										
General										
Hand										
Neuros										
Orthopedic										
Otolaryngology										
Plastic Medicine										
Transplant										
Urology										
Other										
Total Surgery										
Medicine										
Allergy/Immunology										
Cardiology/Coronary Disease										
Critical Care										
Endocrinology/Metabolism										
Gastroenterology										
Hematology/Oncology										
Infectious Disease										
Intensive Care										
Neurology										
Nephrology										
Occupational Medicine										
Pulmonary Disease										
Rheumatology										
Other										
Total Medicine										
Other Clinical										
Total Clinical										
Basic Science										
Other Non Clinical										
Total										

Source: Departmental
 Included in Departmental IRE (Y/N)
 Source: Department

Source Documents:
Included in Departmental IIS (Y/N)
Source Documents

University of Kentucky College of Engineering

Hospital Net Revenue

1 2 3 4 5 6 7 8 9

Net Revenue						Reductions/Taxes (in total) by:			
	Medicare	Medicaid	Commercial	Managed Care	Other	Total	University	VPHA/Health System Corporate	SOM

Other Revenue									
Interest/Endowment Income									
Federal/State/Local Appropriations									
Gifts/Contributions									
Other									
Net Internal Transfers									

Total Sources of Funds									
Source Documents:									
Included in Departmental IFS (Y/N)									
Source Document									

Utilization Statistics									
Discharges									
Inpatient Days									
Outpatient Clinic Visits									

Source Documents:									
Included in Departmental IFS (Y/N)									
Source Document									

Balance Sheet Statistics									
Prior Year:									
Days in A/R									
Days in A/P									
Current Year:									
Days in A/R									
Days in A/P									

Hospital

NOTE 12: These amounts have previously been captured on _____ and are included here to tie to total expenses

4

Source Documents:

[illegible]

Expenses Paid at Clinic

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381
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economic activity, but is included in the "other" column.

Faculty Compensation

	1	2	3	4	5	6	7	8	9	10	11
	NON										
	Teaching Grants	Paid out of Dept. Funds	Total Attributable to "Home" Dept.	Endowment/Discretionary Funds	Total SOM Faculty Compensation	Faculty Practice Plan	VA Direct Paid* Y N	Direct Paid* Y N	Total Hospital	Other	Total Faculty Compensation
Administrative/Other											
Dean's Office											
Academic											
Deans/Deputy Deans											
Faculty Affairs/Office of the Provost											
Neurology											
OB/GYN											
Ophthalmology											
Pathology											
Physical Medicine											
Preventive Medicine											
Public Health											
Radiation Oncology											
Radiology											
Pediatrics											
Allergy											
Cardiology											
Cardiothoracic											
Endocrinology											
Gastroenterology											
Hematology/Oncology											
Hepatology											
Infectious Diseases											
Internal Medicine											
Neurology											
Nephrology											
Other											
Total Pediatrics											
Surgery											
Cardiovascular/Thoracic											
Colon and Rectal											
General											
Head											
Neuro											
Orthopedic											
Otolaryngology											
Plastic											
Sports Medicine											
Transplant											
Urology											
Other											
Total Surgery											
Medicine											
Allergy/Immunology											
Cardiology											
Cardiovascular Disease											
Critical Care											
Endocrinology/Metabolism											
Gastroenterology											
General and Internal											
Geriatrics/Gerontology											
Hematology/Oncology											
Infectious Diseases											
Internal Medicine											
Neurology											
Nephrology											
Other											
Total Medicine											
Other Clinical											
Total Clinical											
Basic Science											
Other Non Clinical											
Total											

Source: Department of Health Services, University of Washington, 1997

Number of Faculty

1 2 3 4 5

	Full-Time Faculty Headcount			Total Headcount		
	Total FTEs	Total	MDs Included in total)	Total	MDs Included in total)	MDs
Administration/Other						
Dean's Office						
Anesthesiology						
Dermatology						
Emergency Medicine						
Family Medicine						
Neurology						
OB/GYN						
Ophthalmology						
Oral Surgery						
Pathology						
Physical Medicine						
Preventive Medicine						
Psychiatry						
Radiation Oncology						
Radiology						
Pediatrics:						
Allergy						
Cardiology						
Vital Care						
Infectious						
Gastroenterology						
General						
Hematology/Oncology						
Neurology						
Nephrology						
Pulmonary						
Rheumatology						
Other						
Total Pediatrics	0	0	0	0	0	0
Surgery:						
Cardiovascular/Thoracic						
Colon and Rectal						
General						
Head						
Neuro						
Orthopedic						
Otolaryngology						
Plastic						
Sports Medicine						
Transplant						
Urology						
Other						
Total Surgery	0	0	0	0	0	0
Medicine:						
Allergy/Immunology						
Cardiology/Cardiovascular Disease						
Critical Care						
Endocrinology/Metabolism						
Gastroenterology						
Geriatrics/Intensiv						
Hematology/Oncology						
Infectious Disease						
Nephrology						
Occupational Medicine						
Pulmonary Disease						
Rheumatology						
Other						
Total Medicine	0	0	0	0	0	0
Other Clinical						
Total Clinical	0	0	0	0	0	0
Basic Science						
Other Non Clinical						
Total ^a	0	0	0	0	0	0

1 2 3 4

Services and Centrally Paid Expenses

Indicate Components of Central

CHINESE

Sponsored Projects Administration

Office of the VP/IA
SOM Dean's Office

Library:

Student Administration and Services

Other

Nonallowable Expenses:
Travel Insurance

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Case No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
Case No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	

^c University Health System Consortium, 1997

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Internal Support and Purchased Services - To the SCHOOL OF MEDICINE

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

From the Faculty Practice Plan

	For Support										Purchased Services				Loan
	Equity Transfer			Investment in Programs			Incentive Arrangements				Purchased Services				
	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total			
In the School															
Dean's Office															
Administrative															
Emergency Medicine															
Family Medicine															
Neurology															
OB/GYN															
Ophthalmology															
Oral Surgery															
Pathology															
Physical Medicine															
Preventive Medicine															
Psychiatry															
Radiation Oncology															
Residency															
Faculty															
Cardiology															
Critical Care															
Endocrinology															
Gastroenterology															
Hematology/Oncology															
Infectious															
Neurology															
Nephrology															
Pulmonary															
Rheumatology															
Other															
Total Faculty															
Surgery															
Cardiovascular/Thoracic															
Colon and Rectal															
General															
Head and Neck															
Neuro															
Orthopedic															
Otorhinolaryngology															
Plastic															
Sports Medicine															
Transplant															
Urology															
Other															
Total Surgery															
Medicine															
Cardiovascular															
Endocrinology															
Genitourinary															
Critical Care															
Endocrinology/Metabolism															
Emergency															
Endocrinology and Internal															
Endocrinology															
Endocrinology/Oncology															
Endocrinology															
Genitourinary Disease															
Genitourinary Medicine															
Genitourinary Disease															
Hematology/Oncology															
Other															
Total Medicine															
Other Clinical															
Total Clinical															
Basic Sciences															
Other Non Clinical															
Total															

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Internal Support and Purchased Services - To the Faculty Practice Plan

From the School of Medicine											
For Support				Investment in Programs		Incentive Arrangements		Purchased Services			
Equity Transfer		Investment in Programs		Incentive Arrangements		Purchased Services		Total		Total	
Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total
To the Practice Plan											
From the School of Medicine											
Medical											
Cardiovascular/Thoracic											
Colon and Rectal											
Endocrine											
Hand											
Neuro											
Orthopedic											
Otolaryngology											
Plastic											
Sports Medicine											
Urology											
Other											
Total Surgeons											
Medical											
Cardiology											
Critical Care											
Emergency Medicine											
Family Medicine											
Internal Medicine											
Neurology											
Obstetrics/Gynecology											
Ophthalmology											
Otorhinolaryngology											
Pathology											
Physical Medicine											
Preventive Medicine											
Psychiatry											
Radiation Oncology											
Rehabilitation											
Other											
Total Medicine											
Other Clinical											
Total Clinical											
Basic Sciences											
Other Non-Clinical											
Total											

Transactions Incremental to Cash Accounting Transactions
Internal Support and Purchased Services - To the HOSPITAL

	To the Hospital											
	For Support:											
	Equity Transfer			Investment in Programs			Incentive Arrangements			Purchased Services		
	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total
From the SDU												
Don't Offer												
Anesthesiology												
Cardiology												
Emergency Medicine												
Family Medicine												
Neurology												
OB/GYN												
Ophthalmology												
Oral Surgery												
Physical Medicine												
Preventive Medicine												
Psychiatry												
Radiation Oncology												
Radiology												
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TRANSACTIONS INCREMENTAL TO CASH ACCOUNTING TRANSACTIONS
Internal Support and Purchased Services - To the HOSPITAL

	To the Hospital									
	From the Donating Plan					For Support				
	Equity Transfer		Investment in Programs			Incentive Arrangements			Purchased Services	
	Incremental Accruals	Other	Incremental Accruals	Other	Total	Incremental Accruals	Other	Total	Incremental Accruals	Other
Administration/Other										
Accounting										
Business Office										
Emergency Medicine										
Family Medicine										
Neurology										
OB/GYN										
Ophthalmology										
Orthopedics										
Pathology										
Physician's Office										
Preventive Medicine										
Prostate										
Radiation Oncology										
Radiology										
Surgery										
Cardiology/Thoracic										
Cham and Rectal										
General										
Hand										
Neuro										
Orthopedic										
Otolaryngology										
Plastic										
Sports Medicine										
Transplant										
Urology										
Other										
Total Surgery										
Medicine										
Allergy/Immunology										
Cardiology/Coronary Disease										
Critical Care										
Endocrinology										
Gastroenterology										
Hematology/Oncology										
Infectious Disease										
Neurology										
Occupational Medicine										
Pharmacology										
Preventive Medicine										
Other										
Total Medicine										
Other Clinical										
Total Clinical										
Basic Support										
Other Non Clinical										
Total										

[illegible]

From the University																							
For Support												For Purchased Services											
Equity Transfer			Investment in Programs			Incentive Arrangements						Physician Services				Non-Physician Services				Internal Sales & Svc.		Expense Reimb.	
Contributions to Operations	Contributions to Endowments	Other	Total	Total	Revenue Sharing	Auxiliary Rev Sharing	Auxiliary Arrangements	Other	Total	Medical Director	Program Mgmt.	Auxiliary Mgmt.	Other	Total	Facilities Operations	Admin Services	Other	Total	Dean's Passthrough	Total Purch. Svc.	Total	Tr.	

What is claimed is:

1. A method of tracking the flow of funds in an academic health center including a school of medicine, a hospital and a clinical practice plan as participants, including the steps of:

- 5 identifying all transactions across the participants and other entities;
identifying all sources of funds and uses of funds for a each department of a participant;
analyze the funds flow among the participants; and
generate a source of funds statement and a uses of funds statement for each
10 participant using the identified sources of funds and uses of funds.

2. The method of claim 1, wherein the funds flow further comprise support funds, payment for services and unreimbursed expenses.

15 3. The method of claim 1, further comprising generating a departmental statement for each department of a participant based on the source of funds statement and uses of funds statement for each department.

20 4. The method of claim 3, further comprising generating ratios using the departmental statements.

5. The method of claim 4, wherein the ratios include at least one ratio selected from the group consisting of: productivity and efficiency ratios, efficiency and investment ratios, productivity and efficiency for faculty compensation ratios,
25 productivity for funds generated and funds invested ratios, external funds generated

per total faculty salary plus benefits ratios, contribution of external funds generated to total faculty plus benefits excluding centrally provided services ratios; contribution of external funds generated to total faculty plus benefits including centrally provided services ratios; dependency funding mix percentage ratios; and efficiency expense mix percentage ratios.

6. The method of claim 4, further comprising generating a report for each participant comprising the departmental ratios.

7. The method of claim 4, further comprising including the step of comparing corresponding ratios for departments within a participant.

8. The method of claim 4, wherein the method further comprises a plurality of academic health centers and further comprising comparing the ratios for similar departments among a plurality of similarly situated participants.

9. The method of claim 1, wherein the step of identifying all transactions across the participants and other entities, further comprises quantifying the funds flows among the participants and other entities.

12. The method of claim 11, wherein the step of quantifying the funds flows among the participants, further comprises identifying support and quantifying expected return for the support.

13. A system for tracking the flow of funds in an academic health center, comprising:

a school of medicine, a hospital and a clinical practice plan as participants;

a network connecting each of the participants;

5 a processor for gathering data from each of the participants and generating at least one report based on the data, wherein the data includes a list of all sources of funds and uses of funds for a each department of a participant.

10 14. The system of claim 13, wherein the at least one report is selected from the group consisting of: custom triangle and supporting statements, standard triangle and supporting statements, customized departmental statements, standard department statements, departmental ratios by participants, ratios by department across participants, aggregate department sources and uses per FTE.

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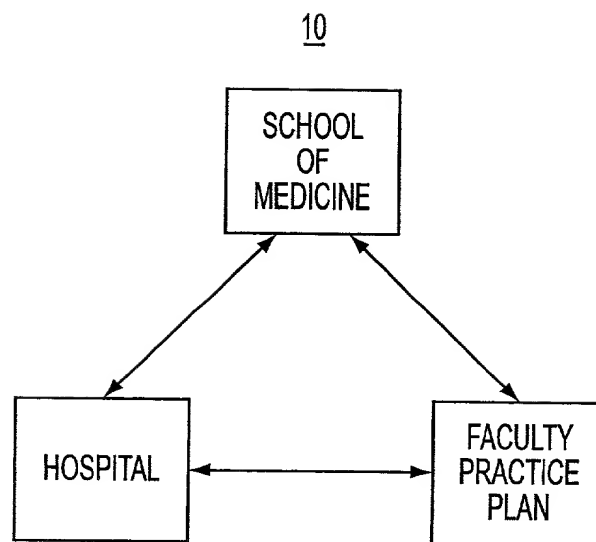


FIG. 1

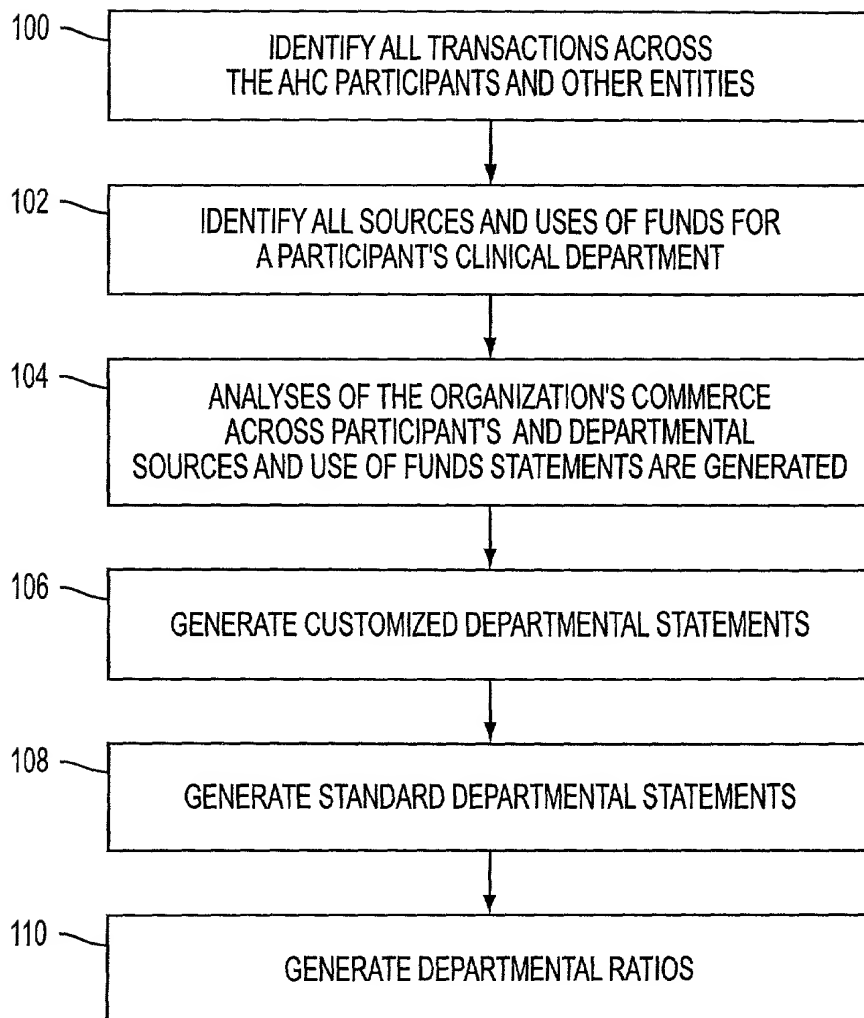


FIG. 2

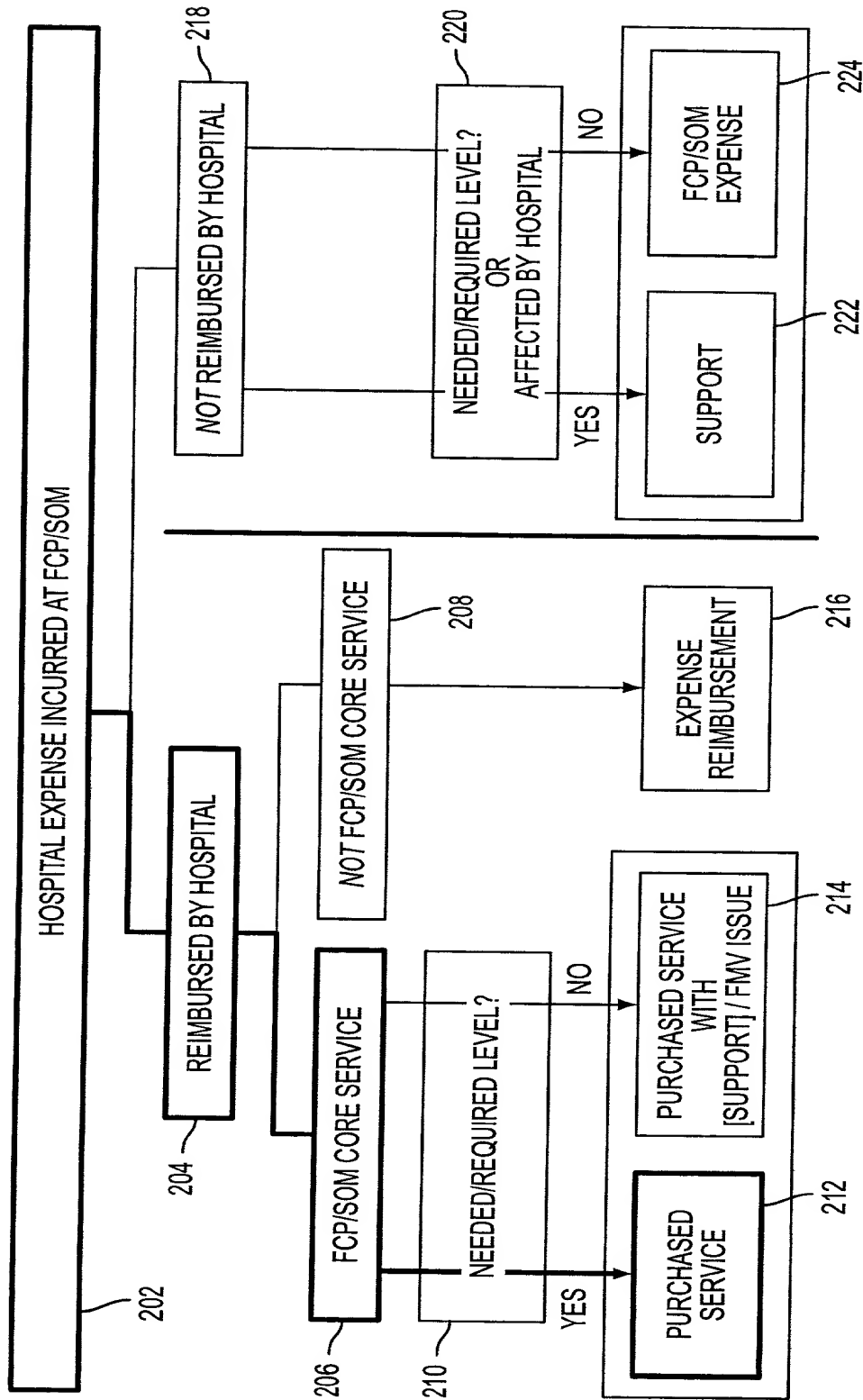


FIG. 3A

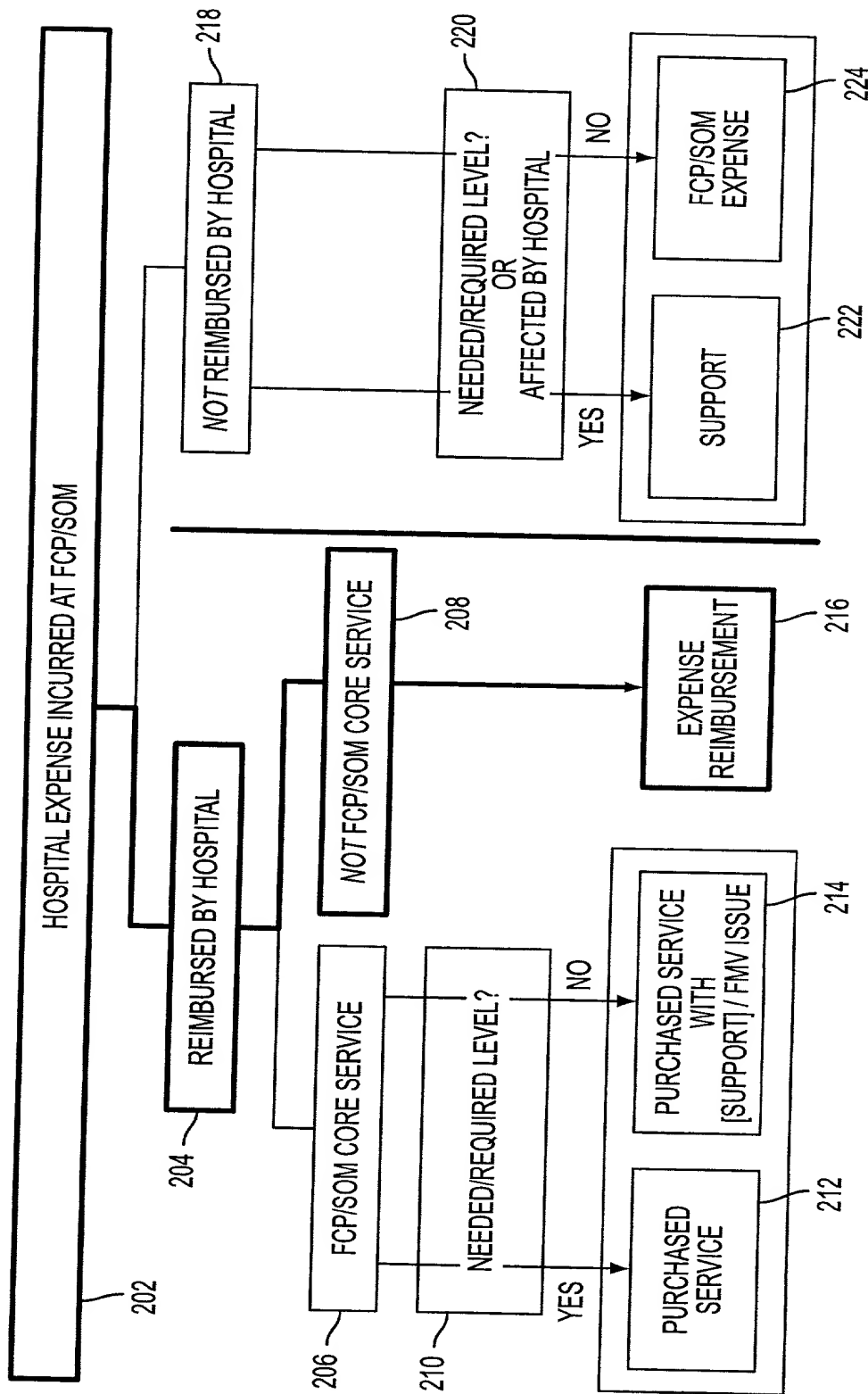


FIG. 3B

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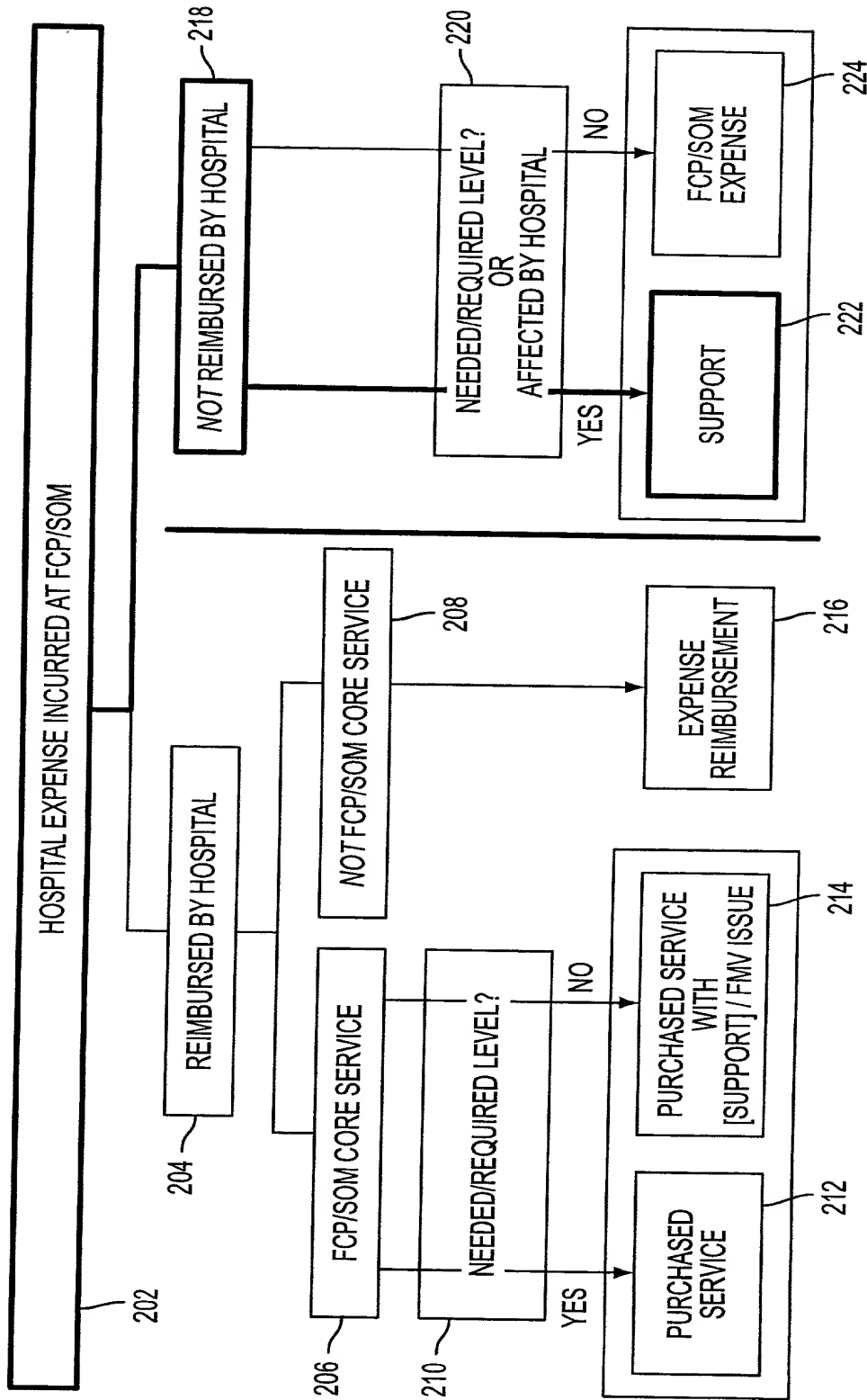


FIG. 3C

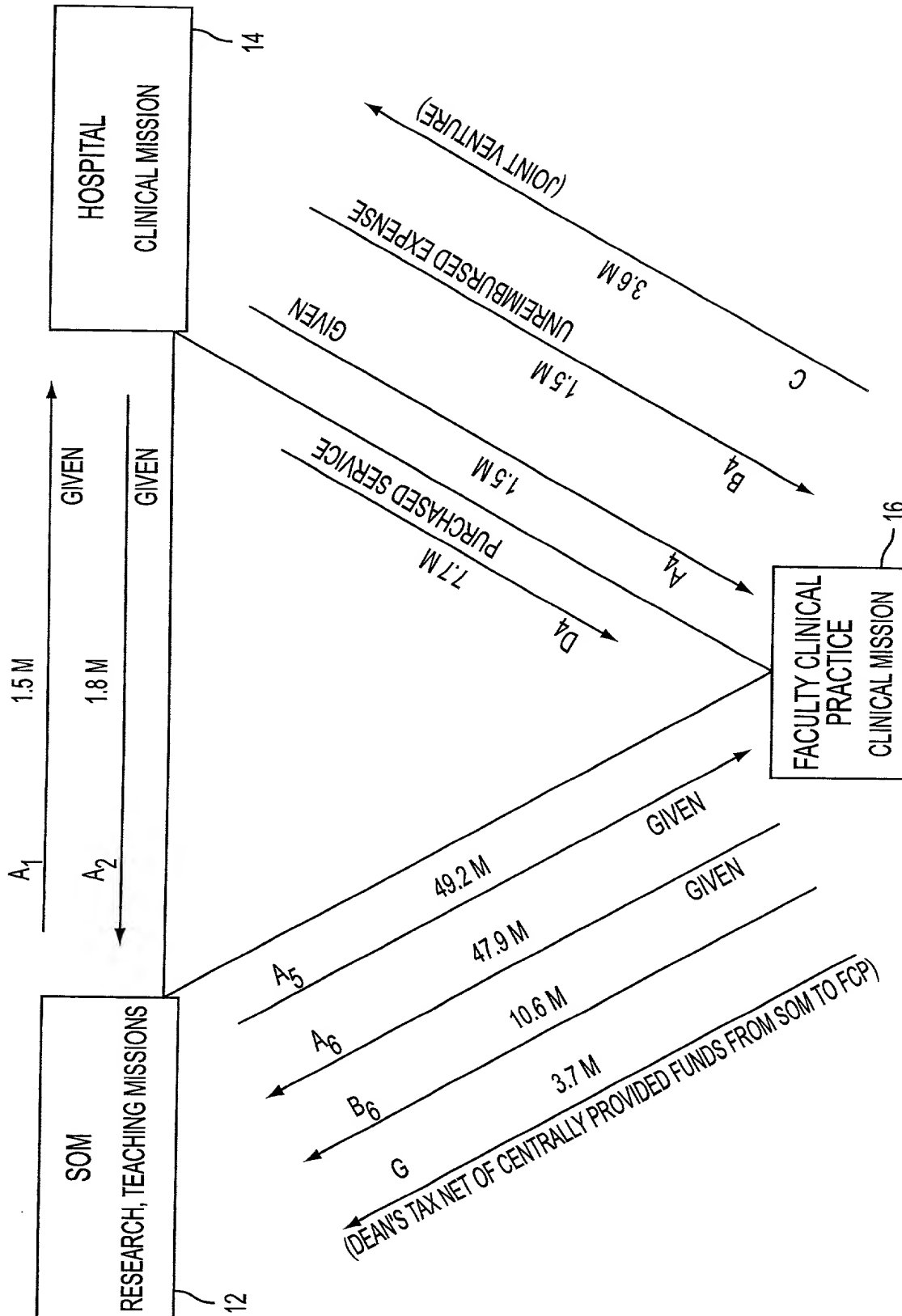


FIG. 4

7/40

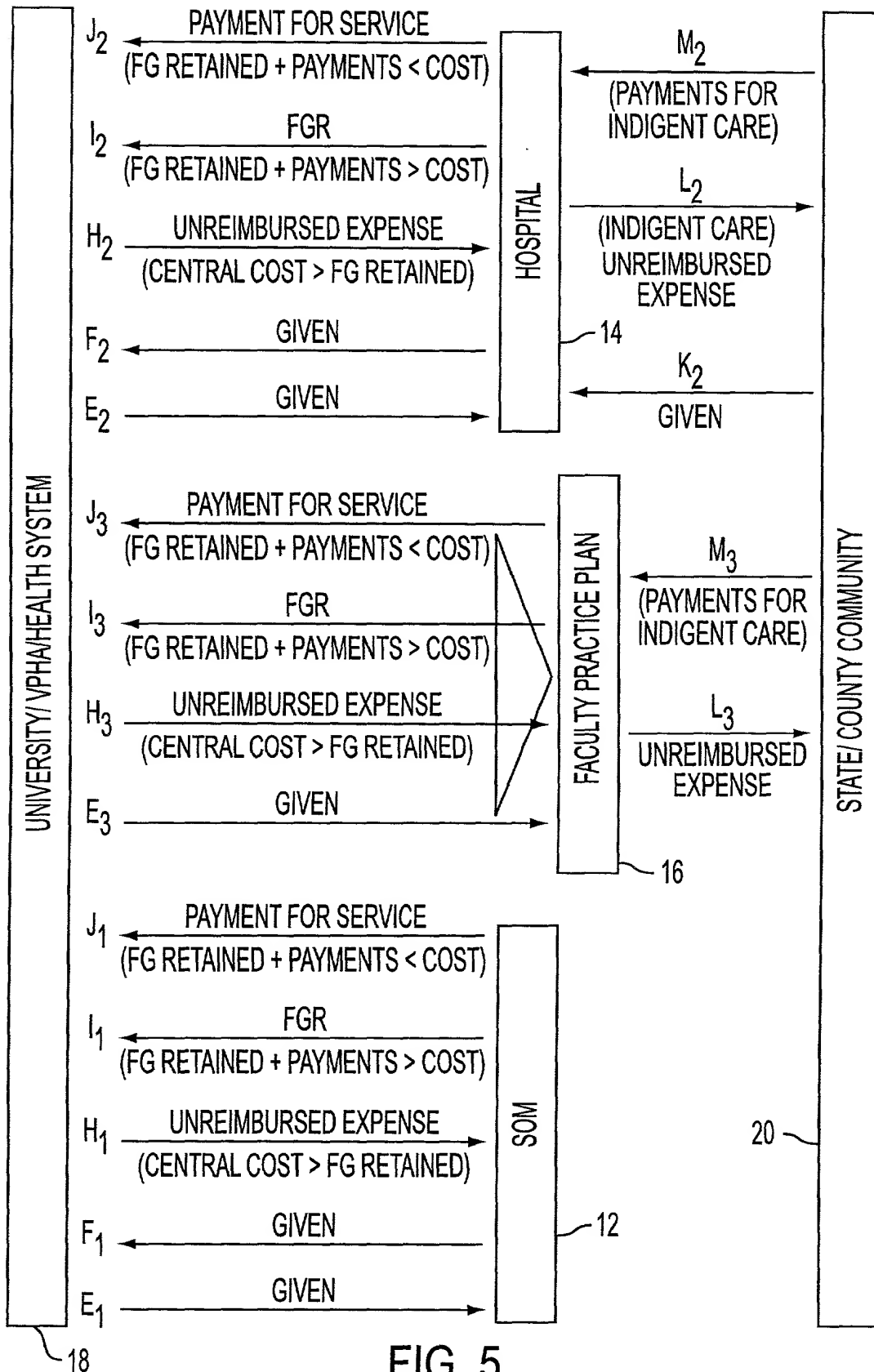


FIG. 5

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From/To	Index	U Index	S, PS	Description	Amount	Source
Hospital to FPP	1	A4	S	ASC List	\$1,479,000	Hospital
	2	B4	S	Hospital Based Clinics	\$1,192,973	Hospital
	3	B4	S	Enterprise-wide Marketing	\$254,753	Hospital
	4	B4	S	Enterprise-wide Contracting	\$66,949	Hospital
Total					\$2,993,675	
Hospital to FPP	5	D4	PS	ASC List (includes gain sharing)	\$5,266,183	Hospital
	6	D4	PS	ASC List - ER Contract	\$2,416,322	Hospital
Total					\$7,682,505	Hospital
FPP to Hospital	7	C	S	Differential in reimbursement for Indigent Care	\$3,622,844	E&Y
Hospital to SOM	8	A2	S	ASC List	\$708,079	Hospital
	9	A2	S	ASC List - Other	\$1,138,316	Hospital
Total					\$1,846,395	
State to Hospital	10	M2	PS	Net Revenue for Indigent Care	\$71,998,000	Hospital
	11	M2	PS	Tobacco Tax Revenue	\$1,163,000	Hospital
Total					\$73,161,000	
Hospital to State	12	L2	S	Unreimbursed Indigent Care	\$18,254,000	Hospital
		C,L2		Additional loss due to resetting Indigent Care	\$3,622,844	E&Y
Total		L2			\$21,876,844	
Hospital to University	13	J2	PS	Central Services Charged	\$2,906,071	Hospital
Hospital to TPA	14	NA	S	Enterprise-wide Marketing	\$129,345	Hospital
	15	NA	S	Enterprise-wide Contracting	\$113,004	Hospital
Total					\$242,349	
State to Hospital	16	K2	S	Medi - Cal GME Funds	\$10,000,000	Hospital
	17	K2	S	Clinical Teaching Support	\$8,493,272	Hospital
Total					\$18,493,272	
SOM to Hospital	18	A1	S	Residency Program Support	\$1,461,176	SOM
FPP to University	19	J3	PS	Central Services Charged	\$611,000	FPP
State to FPP	20	M3	PS	Payments received for Indigent Care	\$7,881,795	FPP
FPP to State	21	L3	S	Cost in excess of reimbursement for Indigent Care	\$7,242,226	FPP
		C,L3		Reimbursement gained in resetting Indigent Care	-\$3,622,844	E&Y
Total		L3			\$3,619,382	
FPP to SOM	22	A6	S	Net Income Transfer	\$47,893,151	FPP
	N/A	B6	S	Pytm of Fac Sal for Res & Tchg from Clinical Mission	\$10,600,00	MGMA
	23	G	S	Dean's Tax	\$3,686,994	FPP
Total					\$62,180,145	

FIG. 6A

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From/To	Index	U Index	S, PS	Description	Amount	Source
SOM to FPP	24	A5	S	Faculty Salaries paid out of Clinical Funds	\$40,545,651	SOM
	25	A5	S	Clinical Expenses	\$8,610,980	SOM
<i>Total</i>					<u>\$49,156,631</u>	
University to SOM	26	E1	S	State Funds	\$35,548,940	SOM
	27	E1	S	Expenses at Dean	\$13,429,737	SOM
<i>Total</i>					<u>\$48,978,677</u>	
SOM to University	28	I1	PS	ICR Retained	\$22,402,492	SOM
	29	I1	PS	Tuition and Fees Retained	\$4,236,409	SOM
	30	I1	PS	Expenses at University	<u>-\$18,079,243</u>	SOM
<i>Total</i>					<u>\$8,559,658</u>	

FIG. 6B

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Participant A	Internal Commerce									
	Hospital to SOM		Hospital to FCP		SOM to Hospital		FCP to Hospital		FCP to SOM	
PURCHASED SERVICE	1D2		1D4	3.6	1D5	1D1	1D3	1D6		
Physician Leadership	2D2		2D4	2.8	2D5	2D1	2D3	2D6		
Physician Service	3D2		3D4	1.3	3D5	3D1	3D3	3D6		
Physician Incentives	4D2		4D4		4D5	4D1	4D3	4D6		
Nonphysician	5D2		5D4		5D5	5D1	5D3	5D6		
Supervision and Teaching										

FIG. 7

11/40

FIG. 8

		Support (\$000,000)					Payment for Services
To	From	Given (\$)	Unreimbursed Expense (\$)	Funds Generated Retained (FGR) > Centrally Provided (\$)	Joint Venture	Total (\$)	Cash and FGR < Centrally Provided
Between Operating Activities							
Hospital	SOM	A1 1.5	B1				
SOM	Hospital	A2 1.8	B2				
Hospital	FCP	A3	B3				
FCP	Hospital	A4 1.5	B4 1.5		C 3.6		
FCP	SOM	A5 49.2	B5		C		
SOM	FCP	A6 47.9	B6 10.6	G 3.7			
	subtotal to SOM	(1.0)	10.6	3.7		13.3	
	subtotal to FCP	2.8	(9.1)	(3.7)	(3.6)	(13.6)	
	subtotal to Hospital	(1.8)	(1.5)		3.6	0.3	
Between University/VPHA/Health System and Operating Activities							
SOM	University/VPHA/Health System	E1 49.0	H1				
University/VPHA/Health System	SOM	F1		I1 8.6			
Hospital	University/VPHA/Health System	E2	H2				
University/VPHA/Health System	Hospital	F2		I2			
FCP	University/VPHA/Health System	E3	H3				
University/VPHA/Health System	FCP			I3			
	subtotal to SOM	49.0	-	(8.6)		40.4	
	subtotal to FCP	-	-	-		-	
	subtotal to Hospital	-	-	-		-	
	subtotal to University/VPHA/Health System	(49.0)	-	8.6		(40.4)	
Between State/County/Community and Operating Activities							
State/County/Community	Hospital	K2 18.5	L2 21.9				
Hospital	State/County/Community						
State/County/Community	FCP		L3 3.6				
FCP	State/County/Community						
	subtotal to FCP	-	(3.6)			(3.6)	
	subtotal to Hospital	18.5	(21.9)			(3.4)	
	subtotal to State/County/Community	(18.5)	25.5			7.0	
SOM	Net Support	48.0	10.6	(4.9)	-	53.7	
	Net Services Purchased from (sold)						(18.1)
FCP	Net Support	2.8	(12.7)	(3.7)	(3.6)	(17.2)	
	Net Services Purchased from (sold)						15.0
Hospital	Net Support	16.7	(23.4)	-	3.6	(3.1)	
	Net Services Purchased from (sold)						62.6
University/VPHA/Health System	Net Support	(49.0)	-	8.6	-	(40.4)	
	Net Services Purchased from (sold)						21.6
State/County/Community	Net Support	(18.5)	25.5	-	-	7.0	
	Net Services Purchased from (sold)						(81.1)
CHECK AREA		-	-	-	-	-	-

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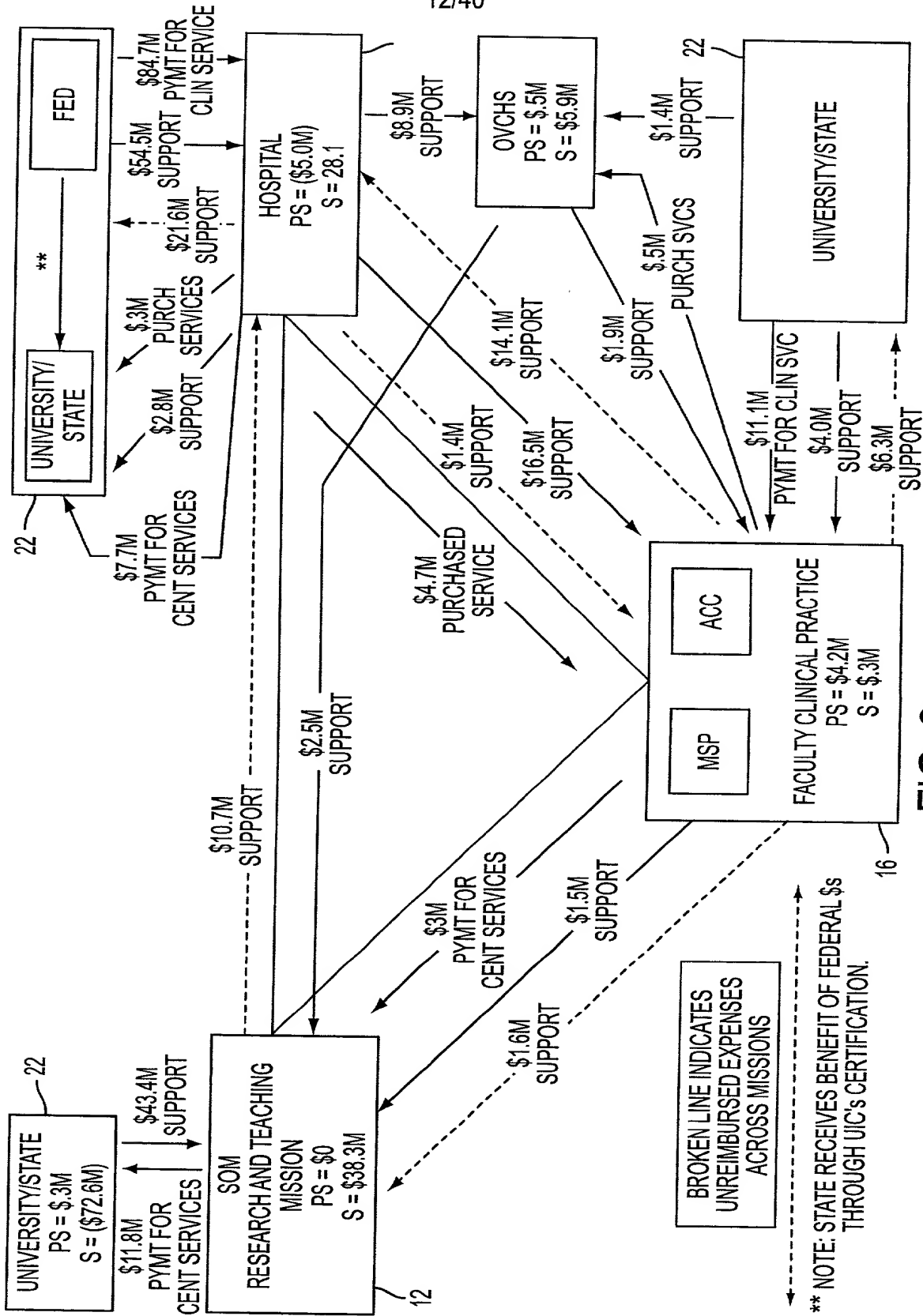


FIG. 9

Programs and Services

<u>Index</u>	<u>From/To</u>	<u>S, PS</u>	<u>Type</u>	<u>Category</u>	<u>Amount</u>	<u>Supporting Schedule</u>	<u>Description</u>	<u>Source /Contact</u>
1, A4	Hospital to FCP	S	Given	Programs & Services	\$13.3 M		State Appropriations & State Paid Benefits to Model Clinics at Hospital's discretion	Steering Committee
					\$1 1.1M \$2.2M		State Appropriations Passed Through (Cash) Benefits (NonCash)	
					Not Quantified		Joint Venture Clinic Operations <ul style="list-style-type: none"> • Sharing Formula 75/25 losses; 50/50 profit • Annual reconciliation vs. Quarterly (Cash Flow) • Expected vs. Actual Collections/MD Pro Fees (Sharing Formula) • Low Indirect Cost/Overhead Rate • Payment for Amb Care Medical Directorships 	
2, B4	Hospital to FCP	S	Unreimbursed Expenses	Programs & Services	\$4M		Billing - 8% of net revenue (NonCash) AR Funding - 5% for 80 days (NonCash)	Pat O'Leary
3, 1D4	Hospital to FCP	PS	Given	Programs & Services	\$4.72M \$4.0M \$7.2M	A	Contracts b/t Hospital and COM Clinical Depts/Faculty <ul style="list-style-type: none"> • Medical Directorships, Chiefs of Svc, Prgm Dirs Salaries (Cash) Benefits - estimated at 18% (NonCash) 	Hospital Pymt Report/Tony Ferrara/Steering Committee
4, A4	Hospital to FCP	S	Given	Programs & Services	\$3.2M \$2.7M \$5M	A	Contracts b/t Hospital and COM Clinical Depts/Faculty <ul style="list-style-type: none"> • Investment in Programs & Services Salaries (Cash) Benefits - estimated at 18% (NonCash) 	Hospital Pymt Report/Tony Ferrara/Steering Committee

FIG. 10A-1

Programs and Services

5, B3	FCP to Hospital	S	Unreimbursed Expenses	Programs & Services	\$2M	A	Unreimbursed Faculty Effort benefiting Hospital Unfunded Medical Direction Salaries & Benefits (NonCash)	Hospital Pymt Report/Tony Ferrara/Steering Committee
N/A	Hospital & FCP	S		Programs & Services	Not Quantified		Inherent Characteristics of the AME: • Lack of Standardization/Equipment	Steering Committee

FIG. 10A-2

OVCHS/Strategic Investment Fund

<u>Index</u>	<u>From/To</u>	<u>S, PS</u>	<u>Type</u>	<u>Category</u>	<u>Amount</u>	<u>Supporting Schedule</u>	<u>Description</u>	<u>Source/Contact</u>
1, N/A	Hospital to OVCHS	S		OVCHS/ SIF	\$8.9M	B	Funding of Strategic Investment Fund (\$10.3M) net of expenditures on Hospital Projects	
2, B4	Hospital to FCP	S	Unreimbursed Expenses	OVCHS/ SIF	\$1M		Hospital funds OVCHS office in the amount of \$4.2M - estimate is that OVCHS benefits Hospital 75% and FCP 25%	
3, A4	OVCHS to FCP	S	Given	OVCHS/ SIF	\$1.9M \$1.5M \$0.25M \$0.15M	B	SIF Expenditures Faculty Salaries (Cash) Faculty Benefits - estimated at 18% (NonCash) Other Expenditures (Cash)	
4, A2	OVCHS to COM	S	Given	OVCHS/ SIF	\$2.5M \$.8M \$.15M \$1.5M	B	SIF Expenditures Faculty Salaries (Cash) Faculty Benefits - estimated at 18% (NonCash) Other Expenditures (Cash)	
5, D3	FCP to OVCHS	PS		OVCHS/ SIF	\$5M		Funding from MDs for marketing (Cash)	
FY 98								
N/A	Hospital to COM/	S		OVCHS/ SIF	Not Quantified		Funding of New Ambulatory Care Center • \$20 million down through short term bond	

FIG. 10B

Public Aid/Prison Population

<u>Index</u>	<u>To/From</u>	<u>S, PS</u>	<u>Type</u>	<u>Category</u>	<u>Amount</u>	<u>Supporting Schedule</u>	<u>Description</u>	<u>Source/Contact</u>
1, C	FCP to Hospital	S	Unreimbursed Expenses	Public Aid/ Prison Pop	\$10.4M	C	Different Levels of Reimbursement for: • Public Aid • Prison Pop	Calculation
2, M2	State to Hospital	Pymt for Clin Svcs		Public Aid/ Prison Pop	\$84.7M	C	State funding for: • Public Aid • Prison Pop	Audited Financial Stmt's; UIC Hospital Records
					\$55.6		Public Aid Reimbursement (Cash)	
					\$29.1		Payments on Behalf of the System attributed to Public Aid/Prison Pop Costs- Benefits (NonCash)	
3, L2	Hospital to State	S	Unreimbursed Expenses Out		\$11.2M	C	Unreimbursed expenses/shortfall related to Public Aid/Prison Population Before Reimbursement Reset	
					<u>\$10.4M</u>		Reimbursement Foregone Under Reset	
					\$21.6M		Unreimbursed expenses after Reimbursement Reset	
4, M3	State to FCP	Pymt for Clin Svcs		Public Aid/ Prison Pop	\$11.1M	C	Public Aid Reimbursement (Cash)	Audited Financial Stmt's/ Hosp Armt Accts
5, L3	FCP to State	S	Unreimbursed Expenses Out	Public Aid/ Prison Pop	\$16.7M	C	Unreimbursed expenses/shortfall related to Public Aid/Prison Pop Before Reimbursement Reset	
					<u>(\$10.4M)</u>		Reimbursement Gained Under Reset	
					\$6.3M		Unreimbursed expenses after Reimbursement Reset	

FIG. 10C

Research and Teaching

<u>Index</u>	<u>To/From</u>	<u>S, PS</u>	<u>Type</u>	<u>Category</u>	<u>Amount</u>	<u>Supporting Schedule</u>	<u>Description</u>	<u>Source/Contact</u>
	Hospital to COM	S	Unreimbursed Expenses	Research	\$ ____		Clerical/other support for research	
	COM to Hospital	PS		Research	\$ ____		Hospital services for research (ie., beds, labs, x-rays, etc.) (Cash)	
1, G	FCP to COM	S	Given	Research & Teaching	\$1.5M		Dean's Tax (Cash) - Net of Services Provided	
2, B6	FCP to COM	S	Unreimbursed Expenses	Research & Teaching	\$1.6M		Payment of Faculty Salaries & Benefits for Research Effort	
N/A	FCP to COM	S	Unreimbursed Expenses	Research & Teaching	To Be Noted - Not Quantified at Present		Payment of Nonfaculty Salaries for Research & Teaching Effort	
3, B3	FCP to Hospital	S	Unreimbursed Expenses	Research & Teaching	\$1.7M		Unreimbursed Faculty Effort benefiting Hospital • Committee Meetings (Public Svc - Hospital)	
4, B1	COM to Hospital	S	Unreimbursed Expenses	Residency Program	\$10.7M		Unreimbursed Faculty Effort benefiting Hospital • Supervision of House Staff	

FIG. 10D

FIG. 10E

Centrally Provided

Index	To/From	S, PS	Type	Category	Amount	Description	Source/Contact
1, E1	Univ/State to COM (includes Basic Sci Depts)	S		Cent Prov	\$37.2M	State Appropriations to Department for Research & Teaching (Cash)	
					\$4.5M	plus State Paid Benefits (Noncash)	
				Subtotal	\$41.7M		
2, K2	Univ/State to Hospital	S		Cent Prov	\$44.6M	State Appropriations (Cash)	AFS, UIC Hospital
3, F2	Hospital	S		Cent Prov	\$2.8M	Support for other Colleges - i.e., Health Professions, Pharmacy, Nursing (Cash)	Hospital Pymt Report
4, N/A	Hospital to Univ/State	PS		Cent Prov	\$3M	Purchased Services from Nursing & Dentistry Colleges (Cash)	Hospital Pymt Report
5, H2	Univ/State to Hosp	S		Cent Prov	\$9.9M	FY 97 On Behalf Payments for Maintenance, Utilities and A&G (Noncash)	AFS, UIC Hospital
6, K2	Univ/State to OVCHS	S		Cent Prov	\$1.4M	State Funding - Includes Excellence in Academics (Cash)	
7, J2	Hospital to Univ/State	PS		Cent Prov	\$7.7M	Central Service Charges (i.e., overhead - Univ/Campus Admin) (\$11.9M per AFS - 4.2M to OVCHS) (Cash)	AFS
8, J1	COM to Univ/State	Pymt for Central Svcs		Cent Prov	\$14.8M	Funds Generated Retained (Teaching, Research) for Central Service (Clinical Depts - 8.5M; Basic Science Depts - \$6.3M)	
9, H1	Univ/State to COM	S		Cent Prov	\$1.7M	Services provided in excess of Funds Generated Retained (Noncash)	
10, N/A	FCP to COM	Pymt for Central Svcs		Cent Prov	\$3M	Dean's tax applied toward Svcs provided by the Dean for FPP (Cash)	

Table of Purchased Services and Support by Hospital

	(A) Cash	(A1) Non-Cash	(B) Non-Cash	(B1) Non-Cash	(A) + (B) Cash & Non-Cash	(A1) + (B1) Non-Cash
	Purchased Services by Hospital - Cash	Purchased Services by Hospital - Benefits	MSP Support to Hospital	MSP Support to Hospital (Benefits)	Total Salary Value of Svcs Provided to Hospital	Total Benefits Value of Svcs Provided to Hospital
Anesthesiology	\$ 661,000	118,980		-	\$ 661,000	118,980
Dermatology	44,945	8,090	192,055	34,570	237,000	42,660
Emergency Medicine	117,000	21,060		-	117,000	21,060
Family Medicine	52,268	9,408	732	132	53,000	9,540
General and Internal	854,004	153,721	75,996	13,679	930,000	167,400
Neurology	126,502	22,770	131,498	23,670	258,000	46,440
Neuro	50,500	9,090	70,500	12,690	121,000	21,780
OB/Gyn	241,000	43,380		-	241,000	43,380
Ophthalmology	21,816	3,927	280,184	50,433	302,000	54,360
Orthopedic	105,550	18,999	24,450	4,401	130,000	23,400
Otorhinolaryngology	33,000	5,940	197,000	35,460	230,000	41,400
Pathology	267,000	48,060		-	267,000	48,060
General Peds	337,680	60,782	257,320	46,318	595,000	107,100
Psychiatry	216,000	38,880		-	216,000	38,880
Radiation Oncology	25,000	4,500	35,000	6,300	60,000	10,800
Radiology	209,230	37,661	250,770	45,139	460,000	82,800
Physical Medicine	122,000	21,960		-	122,000	21,960
General Surg	442,000	79,560		-	442,000	79,560
Surgical Oncology	38,700	6,966	24,300	4,374	63,000	11,340
Urology	67,167	12,090	169,833	30,570	237,000	42,660
Total	\$ 4,032,362	\$ 725,825	\$ 1,709,638	\$ 307,735	\$ 5,742,000	\$ 1,033,560

FIG. 11A

001 057275

Table of Purchased Services and Support by Hospital

	(C) Cash	(C1) Non-Cash	(A) + (C) Cash	(A1) + (C1) Cash	(A) + (A1) + (C) + (C1) Cash & Non-Cash
	Hospital Support to MSP	Hospital Support to MSP (Benefits)	Hospital Cash Pymts to MSP	Hospital Non-Cash Payments to MSP	Total Hospital Cash & Non-Cash Payments to MSP
Anesthesiology	\$ 158,822	28,588	\$ 819,822	\$ 147,568	\$ 967,3
Dermatology	-	-	44,945	8,090	53,0
Emergency Medicine	1,014,183	182,553	1,131,183	203,613	1,334,2
Family Medicine	-	-	52,268	9,408	61,6
General and Internal	-	-	854,004	153,721	1,007,2
Neurology	-	-	126,502	22,770	149,2
Neuro	-	-	50,500	9,090	59,5
OB/Gyn	30,500	5,490	271,500	48,870	320,3
Ophthalmology	-	-	21,816	3,927	25,7
Orthopedic	-	-	105,550	18,999	124,5
Otorhinolaryngology	-	-	33,000	5,940	38,9
Pathology	1,132,595	203,867	1,399,595	251,927	1,651,5
General Peds	-	-	337,680	60,782	398,4
Psychiatry	2,450	441	218,450	39,321	257,7
Radiation Oncology	-	-	25,000	4,500	29,5
Radiology	-	-	209,230	37,661	246,8
Physical Medicine	7,050	1,269	129,050	23,229	152,2
General Surg	341,028	61,385	783,028	140,945	923,9
Surgical Oncology	-	-	38,700	6,966	45,6
Urology	-	-	67,167	12,090	79,2
Total	\$ 2,686,628	\$ 483,593	\$ 6,718,990	\$ 1,206,418	\$ 7,928,4
Total Cash Payments per Salary Schedule (excludes amb care med directorships)					7,891,8
Variance					\$ 36,5

FIG. 11B

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Strategic Investment Fund

Expenditures/ Transfers Out	Department attributed to for Funds Flow	UIC Attribution by Department	Description	SOM	Hospital	MSP	Faculty Salaries SOM	All other SOM	Faculty Salaries MSP	All other MSP	Total
Administration	Administration (OVCHS)	Miscellaneous	CON Consultants (various projects)	-	1,100	1,100	-	-	-	-	-
	Ambulatory Services	Ambulatory Care Initiatives	CON Consultants (DMW/Vinson/HFPB)	-	12,500	12,500	-	-	-	-	-
	Ambulatory Services	Ambulatory Care Initiatives	AirRights/City (Neal)	-	12,500	12,500	-	-	-	-	-
	Ambulatory Services	Ambulatory Care Initiatives	Misc Amb Care Expenses	-	10,700	10,700	-	-	-	-	-
				-	36,800	36,800	-	-	-	-	-
Family Medicine	Family Medicine	Ambulatory Care Initiatives	Family Practice	-	-	95,500	-	-	-	-	-
				-	-	95,500	-	-	-	-	-
General Surg	General Surg	Transplant Initiatives	Heart-Lung Transplant (Massad, Fac Sal)	-	-	429,500	-	-	667,521	-	-
			Admin alloc	-	-	429,500	-	-	667,521	(238,021)	-
Total Medicine	General and Internal Medic	Oncology Initiatives	Transplant and Cell Facility	246,900	-	-	148,234	-	-	-	-
	General and Internal Medic	Oncology Initiatives	Gene Therapy Center (Research)	274,200	-	-	166,418	-	-	-	-
	General and Internal Medic	Oncology Initiatives	Med Onc Gottlieb	-	-	12,200	-	-	-	-	-
	General and Internal Medic	Oncology Initiatives	Medical Oncology (Research)	243,400	-	-	125,692	-	-	-	-
	General and Internal Medic	Oncology Initiatives	Bone Marrow Transplant (Research)	380,200	-	-	349,479	-	-	-	-
	General and Internal Medic	Transplant Initiatives	DDLC	-	-	376,300	-	-	314,459	-	-
			Admin alloc	1,144,700	-	388,500	789,823	354,877	314,459	74,041	-
Hospital	Hospital	Oncology Initiatives	Bone Marrow Remodeling	-	1,090,00	-	-	-	-	-	-
	Hospital	EEI Initiatives	Facility Renovation	-	49,800	-	-	-	-	-	-
	Hospital	Transplant Initiatives	Hospital Transplant FY95-96	-	300,000	-	-	-	-	-	-
				-	1,439,800	-	-	-	-	-	-
Neurology	Neurology	Neuroscience Initiatives	Epilepsy Clinical Prog (Heir, Fac Sal)	-	-	206,200	-	-	44,526	-	-
			Admin alloc	-	-	206,200	-	-	44,526	161,674	-

FIG. 12A-1

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Strategic Investment Fund									
Expenditures / Transfers Out:	Department attributed to for Funds Flow	UIC Attribution by Department	Description	SOM	Hospital	MSP	Faculty Salaries SOM	All other SOM	Total
Neuro	Neuro Surgery	Neuroscience Initiatives	Stroke Clinical Program (Ausman, Fac Sal)	-	-	82,100	69,697	41,651	
	Neuro Surgery	Neuroscience Initiatives	Imaging Collaboratory (Sadler, Fac Sal)	191,100	-	-	69,697	121,403	40,449
			Admin alloc	191,100	-	82,100	69,697	41,651	40,449
OB/GYN	OB/GYN	Women's/Children's Initiatives	Department of OB/GYN (Fac Sal)	-	-	288,800	-	279,193	9,607
			Admin alloc	-	-	288,800	-	279,193	9,607
Total Pediatrics	General Peds	Genetics Program (Peds)	Genetics Program (Peds, Fac Sal)	-	-	63,400	-	59,559	3,841
			Admin alloc	-	-	63,400	-	59,559	3,841

FIG. 12A-2

Psychiatry	Psychiatry	Neuroscience Initiatives	PI Remodeling (Costa)	1,000,000	-	-	-	1,000,000	-
				1,000,000	-	-	-	-	-
Specialized Cancer Center	Specialized Cancer Center	Oncology Initiatives	Cancer Center (Beck)	497,700	-	-	-	-	-
				497,700	-	-	-	497,700	-
Surgical Oncology	Surgical Oncology	Oncology Initiatives	Surgical Oncology (Fac Sal)	-	-	125,200	-	123,226	1,974
			Admin alloc	-	-	125,200	-	123,226	1,974
Total Expenditures / Transfers Out:				2,833,500	1,476,600	1,716,000	859,520	1,973,980	6,026,100

FIG. 12B

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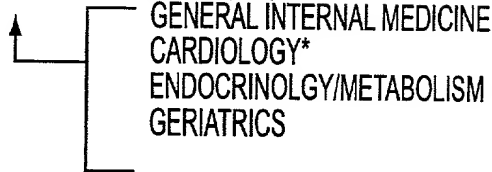
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B) DERMATOLOGY (71)*

C) EMERGENCY MEDICINE (58)*

D) FAMILY MEDICINE (106)*

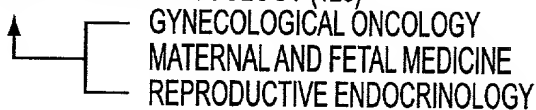
E) INTERNAL MEDICINE (123)*



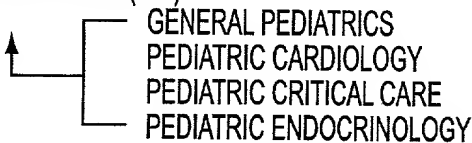
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HEMATOLOGY/ONCOLOGY*
INFECTIOUS DISEASES
NEPHROLOGY
PULMONARY DISEASE*
RHEUMATOLOGY

F) NEUROLOGY (103)*

G) OBSTETRICS/GYNECOLOGY (123)*



H) PEDIATRICS (124)*

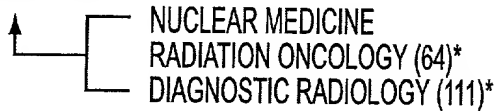


PEDIATRIC GASTROENTEROLOGY
PEDIATRIC NEONATAL MEDICINE
PEDIATRIC NEUROLOGY
PEDIATRIC PULMONOLOGY

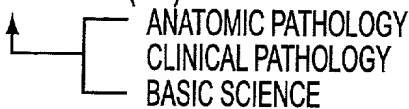
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J) PSYCHIATRY (123)*

K) RADIOLOGY*



L) PATHOLOGY (124)*



M) SURGERY*

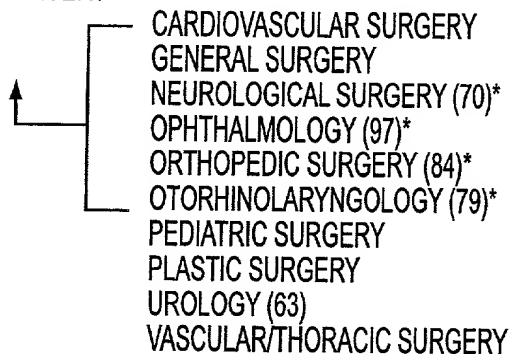


FIG. 13

DEPARTMENTAL FUNDS FLOW INCOME STATEMENT

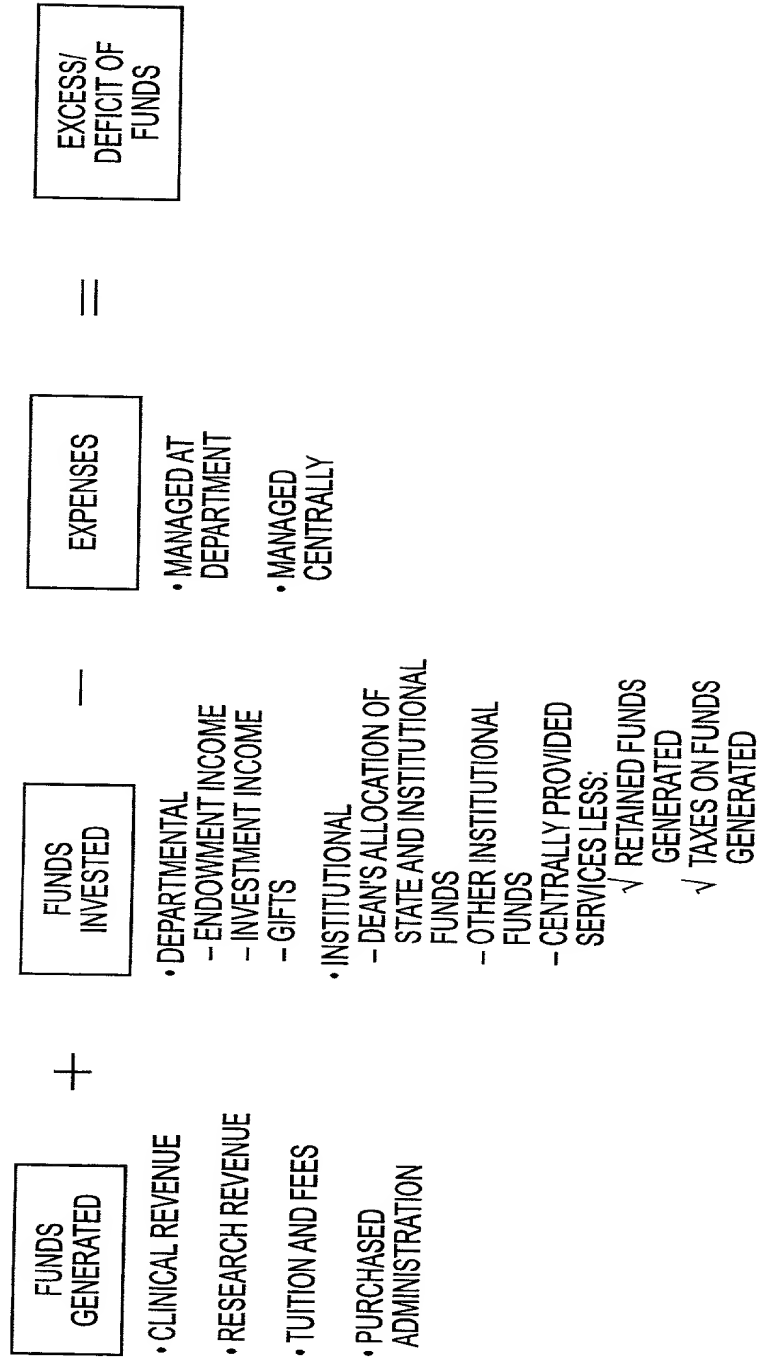


FIG. 14

Participant
Funds Flow Statement - FY 199x
Clinical Area

SOURCES OF FUNDS	A		B		C		D	
	School of Medicine		Faculty Clinical Practice		Total			
	Externally Funded Research	Other Academic						
1	\$		\$		\$		\$	
2	1,139,952	(400)			5,701,054		5,701,054	
3	652,962						1,139,552	
4	444,544	(803)					652,962	
5	109,623						443,740	
6		317,952					109,632	
7							317,952	
8		75,656						
8a					80,013		155,669	
9					398,166		398,166	
10	2,347,080	392,405			6,179,233		8,918,718	
11								
12					163,100		163,100	
13								
14								
15								
16								
17	2,347,080	392,405			6,342,333		9,081,818	

FIG. 15A

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SOURCES OF FUNDS	A		B		C		D	
	School of Medicine		Faculty Clinical Practice		Total			
	Externally Funded Research		Other Academic					
18	-	-	-	-	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	1,229,175	-	-	-	1,229,175	-
22	-	-	-	-	-	-	-	-
	Subtotal		1,229,175		1,229,175		1,229,175	
23	Unreimbursed Expenses Incurred on Behalf of Dept							
24	University		131,146		485,432		616,578	
25	Health System		-		-		-	
26	Dean		103,286		382,310		485,596	
27	Other		-		-		-	
	Subtotal		234,433		867,742		1,102,175	
28	Funds Generated Retained							
29	Research/ICR Retained		(357,731)		803		(356,928)	
30	Teaching		-		(192,208)		(192,208)	
31	Clinical		-		-		-	
	Subtotal		(357,731)		(191,405)		(328,743)	
32	Support Between AMC Operating Units							
32a	From Hospital		-		(168,282)		700,000	
33	Indigent Care		-		-		(398,166)	
34	Other		-		-		-	
35	From Hospital - Unreimbursed Expense		-		-		-	
36	Other - Unreimbursed Expense		-		-		-	
37	UHC Database Adjustment		-		-		-	
	Subtotal		-		(168,282)		301,834	
							133,552	

FIG. 15B-1

SOURCES OF FUNDS	A B C D			
	School of Medicine		Faculty Clinical Practice	Total
	Externally Funded Research	Other Academic		
38 Departmental Investment				
39 Across Missions	(74,124)	739,069	(1,115,706)	(450,761)
40 Across Missions - Unreimbursed Expenses	-	312,620	(312,620)	-
41 Other	-	156,878	-	156,878
42 Subtotal	(74,124)	1,208,568	(1,428,327)	(293,883)
43 Total Funds Invested	(194,422)	2,945,798	(1,455,236)	1,293,140
Total Sources of Funds	2,149,658	3,338,203	4,887,097	10,374,958

FIG. 15B-2

A	B	C	D
	School of Medicine	Faculty Clinical Practice	Total
	Externally Funded Research	Other Academic	
-	-	-	-
-	312,620	(312,6	
268,915	528,611	3,106,6	
31,341	139,889	277,9	
664,809	993,514	1,206,2	
119,215	167,630	99,2	
<u>1,084,280</u>	<u>2,142,065</u>	<u>4,377,3</u>	
634,510	633,144	509,7	
196,435	(196,435)	-	
-	-	-	
-	-	-	
<u>830,945</u>	<u>436,708</u>	<u>509,7</u>	
1,915,225	2,578,773	4,887,0	
131,146	485,432	-	
-	-	-	
103,286	382,310	-	
-	-	-	
<u>234,433</u>	<u>867,742</u>	-	
2,149,658	3,446,515	4,887,09	
<u>(0)</u>	<u>(108,312)</u>		
\$ -	\$ (108,312)	\$ -	\$ -

FIG. 15C

SOURCES OF FUNDS	
Managed at Department	
44	Direct Paid Faculty Salaries & Benefits
45	Faculty Salary & Benefit Allocations
46	Faculty Salaries
47	Faculty Benefits
48	Nonfaculty Salaries
49	Nonfaculty Benefits
50	Subtotal
51	Other Expenses
52	ICR Returned
53	NonCash Expenses
54	UHC Database Adjustment
55	Subtotal
56	Total Managed at Department
	Other
57	Allocation of central services - Univ
58	Allocation of central services - Health System
59	Allocation of central services - Dean
60	Other
61	Subtotal
62	Total Uses of Funds
63	Total Sources Over/(Under) Uses of Funds
64	Use of Prior Period Reserves
65	Total Sources Over/(Under) Uses of Funds

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		A	B	C	D
		School of Medicine		Faculty Clinical Practice	Total
		Externally Funded Research	Other Academic		
SOURCES OF FUNDS					
<u>Funds Generated - External</u>					
1	Net Patient Care Revenue	\$ -	\$ -	\$ 5,446,758	\$ 5,446,758
2	DER - Federal	93,201	-	-	93,201
3	DER - NonFederal ICR - Federal	54,670	-	-	54,670
4	ICR - NonFederal	36,814	-	-	36,814
5	Tuition and Fees	5,679	-	-	5,679
6	Direct Paid Salaries	-	343,554	-	343,554
7	Other External Generated	-	-	-	-
8	<i>Subtotal</i>	-	-	-	-
10	<u>Funds Generated - Internal</u>	190,364	343,554	5,446,758	5,980,676
	From the Hospital				
11	Other	-	-	779,980	779,980
12	From Hospital - Unreimbursed Expenses	-	-	-	-
13	Other - Unreimbursed Expenses	-	1,148,123	-	1,148,123
14	<i>Subtotal</i>	-	-	-	-
16	Total Funds Generated	-	1,148,123	779,980	1,928,103
17	<u>Funds Invested</u>	190,364	1,491,677	6,226,738	7,906,779
	<u>Institutional Investment</u>				
	Funds Provided				
	From University				
18	From Health System	-	-	-	-
19	From Dean	-	-	-	-
20	Other	-	1,697,562	-	1,697,562
21	<i>Subtotal</i>	-	-	-	-
22	Expenses Incurred on Behalf of Dept	-	1,697,562	-	1,697,562
	University				
23	Health System	93,170	125,111	343,286	561,567
24	Dean	-	-	-	-
25	Other	29,195	35,108	252,745	317,048
26	<i>Subtotal</i>	-	-	-	-
27		122,365	160,219	596,031	878,615
	<u>Funds Generated Retained</u>				
	Research/ICR Retained				
28	Teaching	(56,274)	-	-	(56,274)
29	Clinical	-	(343,554)	-	(343,554)
30	<i>Subtotal</i>	-	-	(456,670)	(456,670)
31		(56,274)	(343,554)	(456,670)	(856,498)

FIG. 16A

30/40

		A	B	C	D
		School of Medicine		Faculty Clinical Practice	Total
		Externally Funded Research	Other Academic		
Support Between AMC Operating Units					
32	From Hospital	\$ -	\$ -	\$ 187,410	\$ 187,410
33	Other	-	-	-	-
34	From Hospital - Unreimbursed Expense	-	(1,148,123)	-	(1,148,123)
35	Other - Unreimbursed Expense	-	-	-	-
37	Subtotal	-	(1,148,123)	187,410	(960,713)
Departmental Investment					
38	Across Missions	-	-	-	-
39	Across Missions - Unreimbursed Expense	-	684,714	(684,714)	-
40	Other	-	127,510	-	127,510
41	Subtotal	-	812,224	(684,714)	127,510
42	Total Funds Invested	66,091	1,178,328	(357,943)	886,476
43	Total Sources of Funds	256,455	2,670,005	5,868,795	8,795,255
USES OF FUNDS					
Managed at Department					
44	Direct Paid Faculty Salaries & Benefits	-	-	967,390	967,390
45	Faculty Salary & Benefit Allocations	-	684,714	(684,714)	-
46	Faculty Salaries	66,756	1,487,846	1,924,262	3,478,864
47	Faculty Benefits	11,665	267,813	331,949	611,427
48	Nonfaculty Salaries	27,390	1,245	153,958	182,593
49	Nonfaculty Benefits	4,837	224	26,559	31,620
50	Subtotal	110,648	2,441,842	2,719,404	5,271,894
51	Other Expenses	23,438	66,909	3,155,657	3,246,004
52	ICR Returned	-	-	-	-
53	NonCash Expenses	-	-	-	-
55	Subtotal	23,438	66,909	3,155,657	3,246,004
56	Total Managed at Department	134,086	2,508,751	5,875,061	8,517,898
Other					
57	Allocation of Central Services - Univ	93,170	125,111	343,286	561,567
58	Allocation of Central Services - Health System	-	-	-	-
59	Allocation of Central Services - Dean	29,195	35,108	252,745	317,048
60	Other	-	-	-	-
61	Subtotal	122,365	160,219	596,031	878,615
62	Total Uses of Funds	256,451	2,668,970	6,471,092	9,396,513
65	Total Sources Over/(Under) Uses of Funds	\$ 4	\$ 1,035	\$ (602,297)	\$ (601,258)

FIG. 16B

31/40

FIG. 17A

School of Medicine						
Research Other Academic GME						
SOURCES OF FUNDS						
Funds Generated						
1	Net Patient Care Revenue			5,446,758	-	5,446,758
2	DER - Federal	93,201				93,201
3	DER - NonFederal	54,670				54,670
4	ICR - Federal	36,814				36,814
5	ICR - NonFederal	5,679				5,679
6	Allocation of Tuition and Fees		343,554			343,554
7	Direct Paid Salaries					-
8	Other Generated		-			-
	Total	190,364	343,554	-	5,446,758	5,980,676
Purchased Services						
12	From the FPP					-
12	From the SOM					-
11	From the Hospital			779,980		779,980
13	From the Hospital - Unreimbursed			1,148,123	-	1,148,123
12	From the Univ/VPHA					-
	Total	-	-	1,148,123	779,980	1,928,103
	Total Funds Generated	190,364	343,554	1,148,123	6,226,738	7,908,779
Funds Invested						
Institutional Investment						
20	State General Funds		1,435,906			1,435,906
20	State Benefits Payments	-	261,656			261,656
Unreimbursed Expenses Incurred on Behalf Depts						
25	Allocation of Central Services - Dean	29,195	35,108	252,745		317,048
23	Allocation of Central Services - Univ/VPHA	93,170	125,111	343,286		561,566
	Subtotal	122,364	160,219	596,031	-	878,614
Funds Generated Retained by Institution						
28	Research/ICR Retained	(56,274)				(56,274)
29	Teaching		(343,554)			(343,554)
30	Clinical			(456,670)		(456,670)
	Subtotal	(56,274)	(343,554)	-	(456,670)	(856,498)
Other Support						
38	By the FPP	544,541		140,172	(684,714)	-
38	By the SOM			1,007,950		-
32	By the Hospital		(1,007,950)		187,410	187,410
34	By the Hospital - Unreimbursed			(1,148,123)	-	(1,148,123)
32	By the Strategic Investment Fund				-	-
33	By the Univ/VPHA					-
	Subtotal	544,541	(1,007,950)	-	(497,304)	(960,713)
Departmental Investment						
40	Endowment Utilized					-
40	Gifts/Transfers from Reserves		127,510			127,510
	Subtotal	-	127,510	-	-	127,510

FIG. 17B

	School of Medicine					
	Research	Other Academic	GME			
Total Funds Invested	610,632	633,787	-	(357,943)	-	886,476
Total Sources of Funds	800,996	977,340	1,148,123	5,868,795	-	8,795,254
USES OF FUNDS						
Paid at Department						
46 Faculty Salaries	66,756	1,487,846		1,924,262		3,478,864
44 Faculty Salaries, Direct Paid/SIF				819,822		819,822
45 Faculty Salaries, Non-realized	461,476	(854,195)	972,985	(580,266)		-
48 Nonfaculty Salaries	27,390	1,245		153,958	-	182,593
47 Faculty Benefits	11,665	6,375		331,949		349,989
47 Faculty Benefits, State Paid		261,438				261,438
44 Faculty Benefits, Direct Paid/SIF	-			147,568		147,568
48 Faculty Benefits, Non-realized	83,066	(153,755)	175,137	(104,448)		-
49 Nonfaculty Benefits	4,837	5		26,559		31,401
49 Nonfaculty Benefits, State Paid		219			-	219
51 Equipment	16,736	9,530		27,658		53,924
51 Supplies	1,799	27,950		84,574		114,323
51 Space/Rent	-	-		-	-	-
51 Housekeeping	-	-		-	-	-
51 Utilities	-	-		-	-	-
51 Security	-	-		-	-	-
51 Library	-	-		-	-	-
51 Malpractice Insurance	-	-		286,982		286,982
51 Other	4,903	29,429		2,738,601	-	2,772,939
51 Other SIF						-
51 Admin Unit				17,836	-	17,836
51 Expense Adjustment	-	-				-
Subtotal	678,627	816,086	1,148,123	5,875,061	-	8,517,897
Less Purchased Services	-	-	-	-	-	-
Internally Purchased Services						
To the FPP						-
To the SOM						-
To the Hospital						-
To the Univ/VPHA and subs						-
Subtotal	-	-	-	-	-	-
Subtotal Paid at Dept	678,627	816,086	1,148,123	5,875,061	-	8,517,897
Paid Centrally						
59 Allocation of Central Services - Dean	29,195	35,108		252,745	-	317,048
57 Allocation of Central Services - Univ/VPHA	93,170	125,111		343,286		561,566
Subtotal Paid Centrally	122,364	160,219	-	596,031	-	878,614
Total Uses of Funds	800,992	976,304	1,148,123	6,471,092	-	9,396,511
Total Sources Over (Under) Uses of Funds	4	1,036	-	(602,297)	-	(601,257)

Clinical Department Ratios - UIC Health Sciences Center								
	Anesthesiology	Dermatology	Emergency Medicine	Family Medicine	TOTAL Medicine	Neurology	OB/GYN	Ophthalmology

Key Ratios - SOM and FPP								
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Key Ratios - SOM and FPP

Data Elements

Faculty Salaries & Benefits Reset	684,714	(245,471)	243,140	(1,083,385)	918,220	(10,991)	558,961	273,845
Faculty Salaries & Benefits Paid With Research Dollars	78,421	166,999	214,053	237,777	3,857,299	265,235	589,209	1,491,270
Direct Paid Salaries								
• Research	-	-	-	-	-	-	-	-
• Teaching	-	-	-	-	931,991	-	-	-
• Clinical	967,390	53,035	1,334,796	61,676	1,378,786	201,813	649,818	25,743
Funds Generated Retained								
• Research	(56,274)	(40,754)	(33,790)	(17,663)	(856,067)	(95,279)	(165,269)	(769,993)
• Teaching	(343,554)	(37,485)	(415,207)	(167,103)	(521,354)	(94,350)	(395,127)	(197,936)
• Clinical	(456,670)	(64,204)	-	(67,736)	(708,158)	(87,696)	(447,924)	(361,472)
Internal Funds Generated From the Hospital								
Int. Funds Gen. From the Hosp - Unreimb. Exp. - Teaching	1,148,123	92,024	215,979	252,607	1,484,913	213,517	742,915	948,708
Internal Funds Generated From the Hosp - Unreimb. Exp. - Clin	-	226,625	-	864	89,675	155,168	-	330,617

FIG. 18A

Clinical Department Ratios - UIC Health Sciences Center									
	Anesthesiology	Dermatology	Emergency Medicine	Family Medicine	TOTAL Medicine	Neurology	OB/GYN	Ophthalmology	
Key Ratios - SOM and FPP									
External FGFTE	\$ 436,865	\$ 140,944	\$ 414,244	\$ 323,622	\$ 350,668	\$ 234,376	\$ 352,885	\$ 356,187	
Internal FGFTE	56,974	31,247	11,891	4,738	17,769	36,373	10,647	13,463	
Total FGFTE	\$ 493,839	\$ 172,191	\$ 426,136	\$ 328,360	\$ 368,437	\$ 270,749	\$ 363,532	\$ 369,650	
Clinical Ext FGFTE	\$ 397,864	\$ 101,267	\$ 344,593	\$ 84,496	\$ 217,079	\$ 163,805	\$ 270,369	\$ 209,876	
Research Ext FGFTE	13,905	35,054	33,894	24,917	119,476	56,696	61,023	128,670	
Total Exp as a % of Ext FG	157.1%	213.0%	123.4%	139.9%	164.0%	171.0%	162.6%	125.7%	
Total Fac Sal + Ben as a % of Ext FG	84.6%	93.7%	50.2%	52.7%	75.3%	85.8%	77.3%	56.3%	
Clin Non-Fac Sal + Ben (People) as a % of Clin Ext F	3.3%	56.1%	0.1%	60.6%	28.5%	38.8%	40.6%	44.0%	
Clin Non-Fac Sal + Ben (Other) as a % of Clin Ext FG	57.9%	63.9%	55.9%	54.4%	46.3%	44.3%	39.2%	27.5%	
Total Fac Sal + Ben per FTE	\$ 369,443	\$ 132,002	\$ 208,016	\$ 170,596	\$ 264,223	\$ 201,126	\$ 272,827	\$ 200,419	
Total Non-Fac Sal + Ben (People) per FTE	15,647	69,056	34,742	134,294	90,238	76,938	123,883	107,445	
Total Non-Fac Sal + Ben (Other) per FTE	301,287	99,138	268,381	147,989	220,769	122,787	177,256	139,757	
Total Exp per FTE	\$ 686,378	\$ 300,196	\$ 511,139	\$ 452,879	\$ 575,229	\$ 400,651	\$ 573,966	\$ 447,622	
Actual FIFTE	\$ 148,619	\$ 145,064	\$ 130,043	\$ 181,030	\$ 199,709	\$ 139,223	\$ 157,804	\$ 109,710	
Dept FIFTE	9,314	513	457	4	9,844	3,900	282	7,974	
Net CPSFTE	64,179	25,818	54,693	49,122	61,526	38,201	48,047	40,104	
Number of FTE	14	9	12	13	62	8	27	26	
Number of MD	-	-	-	-	-	-	-	-	
Faculty Salaries									
Clinical External Funds Generated as a % of Total Ext	91.1%	71.8%	83.2%	26.1%	61.9%	69.9%	76.6%	58.9%	
Clinical Fac. Sal & Ben. as a % of Clinical Ext. Fund	46.6%	57.8%	38.3%	119.4%	46.8%	54.7%	63.4%	32.4%	
Clinical Fac. Sal & Ben. as a % of Total Fac. Sal & Ben.									
• with salary reset	50%	44%	63%	59%	38%	45%	63%	34%	
• without salary reset	64%	24%	73%	11%	44%	44%	71%	39%	
Clinical Margin as a % of Total Margin	100%	100%	252%	81%	114%	98%	101%	96%	

Clinical Department Ratios - UIC Health Sciences Center

Key Ratios - SOM and FPP

[illegible]

Faculty Salaries

- Clinical External Funds Generated as a % of Total Ext
- Clinical Fac. Sal. & Ben. as a % of Clinical Ext. Fund
- Clinical Fac. Sal. & Ben. as a % of Total Fac. Sal. & Ben.
- with salary reset
- without salary reset
- Clinical Margin as a % of Total Margin

FIG. 18D

37/40

KEY DEPARTMENT RATIOS - UHC BENCHMARKS - FY 1997												
nd FPP	ANESTHESIOLOGY											Standard Deviation
	A	B	C	D	E	F	G	H	I	J	K	L
Reset	\$ 312,620	\$ 367,727	\$ 684,714	\$ -	\$ 214,791	\$ 2,918,027	\$ 369,466	\$ 278,858	\$ -	\$ -	\$ -	\$ -
Paid With Research Dollars	\$ 300,256	\$ -	\$ 78,421	\$ 366,967	\$ -	\$ 661,681	\$ 141,593	\$ -	\$ 798,622	\$ 324,332	\$ 320,961	\$ 3,346
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (345,819)	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ 967,390	\$ -	\$ 533,861	\$ -	\$ -	\$ 435,356	\$ 345,819	\$ -	\$ -	\$ -
	\$ (357,731)	\$ -	\$ (56,274)	\$ (206,949)	\$ -	\$ (21,694)	\$ (69,681)	\$ 1,997	\$ (641,247)	\$ (264,549)	\$ (74,054)	\$ -
	\$ (192,208)	\$ (94,304)	\$ (343,554)	\$ (262,150)	\$ (60,877)	\$ (174,384)	\$ (209,989)	\$ (258,616)	\$ (132,223)	\$ (147,436)	\$ (208,774)	\$ -
	\$ (328,743)	\$ (27,489)	\$ (456,670)	\$ (572,041)	\$ (526,993)	\$ (308,188)	\$ (637,722)	\$ (448,965)	\$ -	\$ (2,505,237)	\$ (1,144,587)	\$ (360,163)
d From the Hospital	\$ -	\$ 10,000	\$ -	\$ 202,100	\$ -	\$ 505,298	\$ -	\$ -	\$ 88,800	\$ -	\$ -	\$ 14,738
d From the Hospital - Unreimbursed	\$ -	\$ 445,123	\$ 1,148,123	\$ -	\$ 14,647	\$ 239,375	\$ 477,964	\$ -	\$ 1,304,281	\$ -	\$ -	\$ -
d From the Hospital - Unreimbursed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

FIG. 19A

KEY DEPARTMENT RATIOS - UHC BENCHMARKS - FY 1997

ANESTHESIOLOGY

	A	B	C	D	E	F	G	H	I	J	K	L	Mean	Standard Deviation
tated per Faculty FTE	\$ 340,822	\$ 248,561	\$ 436,865	\$ 272,085	\$ 234,341	\$ 186,707	\$ 259,298	\$ 312,503	\$ 397,155	\$ 164,572	\$ 312,177	\$ 341,409	\$ 282,208	\$ 80,714
ated per Faculty FTE	\$ 6,524	\$ 47,682	\$ 56,974	\$ 14,132	\$ -	\$ 19,776	\$ 40,937	\$ 5,266	\$ 10,481	\$ -	\$ -	\$ 56,499	\$ 21,523	\$ 22,560
ed per Faculty FTE	\$ 347,346	\$ 296,223	\$ 493,839	\$ 286,237	\$ 234,341	\$ 206,483	\$ 300,235	\$ 317,769	\$ 407,636	\$ 164,572	\$ 312,177	\$ 397,908	\$ 313,731	\$ 90,849
als Generated per Faculty FTE	\$ 231,243	\$ 246,877	\$ 397,864	\$ 239,580	\$ 230,765	\$ 165,182	\$ 244,919	\$ 304,315	\$ 320,962	\$ 142,847	\$ 289,006	\$ 337,508	\$ 262,589	\$ 71,775
ands Generated per Faculty FTE	\$ 93,835	\$ 30	\$ 13,905	\$ 25,350	\$ 792	\$ 17,833	\$ 10,436	\$ 106	\$ 72,249	\$ 19,177	\$ 19,141	\$ 602	\$ 22,788	\$ 29,815
Percent of External Funds Generated	123.0%	122.2%	157.1%	115.4%	190.9%	144.3%	135.2%	105.0%	108.5%	195.7%	110.6%	115.4%	115.3%	31.1%
nsation as a Percent of External Funds Generated	51.1%	67.0%	84.6%	75.6%	85.8%	94.8%	68.6%	54.6%	56.3%	107.4%	51.4%	62.1%	71.6%	18.3%
Compensation as a Percent of Clinical Generated	22.6%	37.9%	3.3%	7.3%	39.7%	9.7%	23.4%	13.3%	12.0%	3.2%	10.6%	12.8%	16.3%	12.2%
Noncompensation Expense as a Percent at Funds Generated	8.8%	9.5%	57.9%	18.1%	21.6%	21.5%	27.6%	27.2%	29.5%	9.1%	-1.9%	39.7%	22.4%	16.0%
ensation per Faculty FTE	\$ 174,126	\$ 166,652	\$ 369,443	\$ 205,587	\$ 200,963	\$ 176,970	\$ 177,901	\$ 170,630	\$ 223,520	\$ 176,716	\$ 160,525	\$ 211,922	\$ 201,246	\$ 56,555
Compensation per Faculty FTE	\$ 130,023	\$ 100,845	\$ 15,647	\$ 21,623	\$ 96,667	\$ 20,976	\$ 65,803	\$ 46,116	\$ 85,126	\$ 36,621	\$ 47,387	\$ 45,365	\$ 59,350	\$ 36,496
Compensation Expense per Faculty FTE	\$ 115,182	\$ 36,181	\$ 301,287	\$ 86,863	\$ 149,698	\$ 71,529	\$ 106,852	\$ 111,377	\$ 122,141	\$ 108,723	\$ 105,542	\$ 136,535	\$ 120,993	\$ 64,026
Faculty FTE	\$ 419,331	\$ 303,678	\$ 686,377	\$ 314,073	\$ 447,328	\$ 269,475	\$ 360,556	\$ 328,123	\$ 430,787	\$ 322,060	\$ 313,454	\$ 393,822	\$ 381,589	\$ 111,363

38/40

FIG. 19B-1

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	ANESTHESIOLOGY											Mean	Standard Deviation
	A	B	C	D	E	F	G	H	I	J	K		
ed per Faculty FTE	\$ 67,652	\$ 27,660	\$ 148,619	\$ 17,780	\$ 158,051	\$ 73,019	\$ 42,832	\$ 20,826	\$ 40,470	\$ 157,482	\$ 57,023	\$ 16,077	\$ 54,949
Invested per Faculty FTE	\$ 6,275	\$ 4,061	\$ 9,314	\$ 5,569	\$ 237	\$ 4,827	\$ 12	\$ 157	\$ 15,519	\$ 3,478	\$ 1,642	\$ 20,756	\$ 6,431
Service per Faculty FTE	\$ 44,087	\$ 17,092	\$ 64,179	\$ 32,418	\$ 98,160	\$ 33,089	\$ 37,322	\$ 17,012	\$ 22,342	\$ 73,462	\$ 39,044	\$ -	\$ 27,273
FTEs	25.0	57.0	13.7	36.6	21.9	47.2	53.3	32.0	43.4	67.0	51.8	40.0	15.7
	0.0	0.0	0.0	33.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.5
ds Generated as a Percent of Total Generated	67.8%	99.3%	91.1%	88.1%	98.5%	88.5%	94.5%	97.4%	80.8%	86.8%	92.6%	98.9%	90.4%
Compensation as a Percent of Clinical Generated	53.1%	53.0%	48.6%	75.9%	76.3%	37.0%	62.0%	42.3%	55.3%	71.0%	43.6%	62.5%	56.6%
Compensation as a Percent of Total Faculty													39/40 9.1%
Reset	70.6%	78.6%	50.2%	88.4%	87.7%	34.5%	65.4%	75.4%	79.4%	57.4%	78.6%	99.5%	71.8%
y reset	77.8%	82.4%	63.7%	88.4%	92.5%	69.4%	89.3%	80.5%	79.4%	57.4%	78.6%	99.5%	18.2%
gin as a Percent of Total Operating Margin	0.0%	112.5%	100.2%	100.0%	100.1%	86.7%	100.0%	176.9%	111.5%	50.0%	100.0%	83.6%	12.0%
													41.2%

FIG. 19B-2

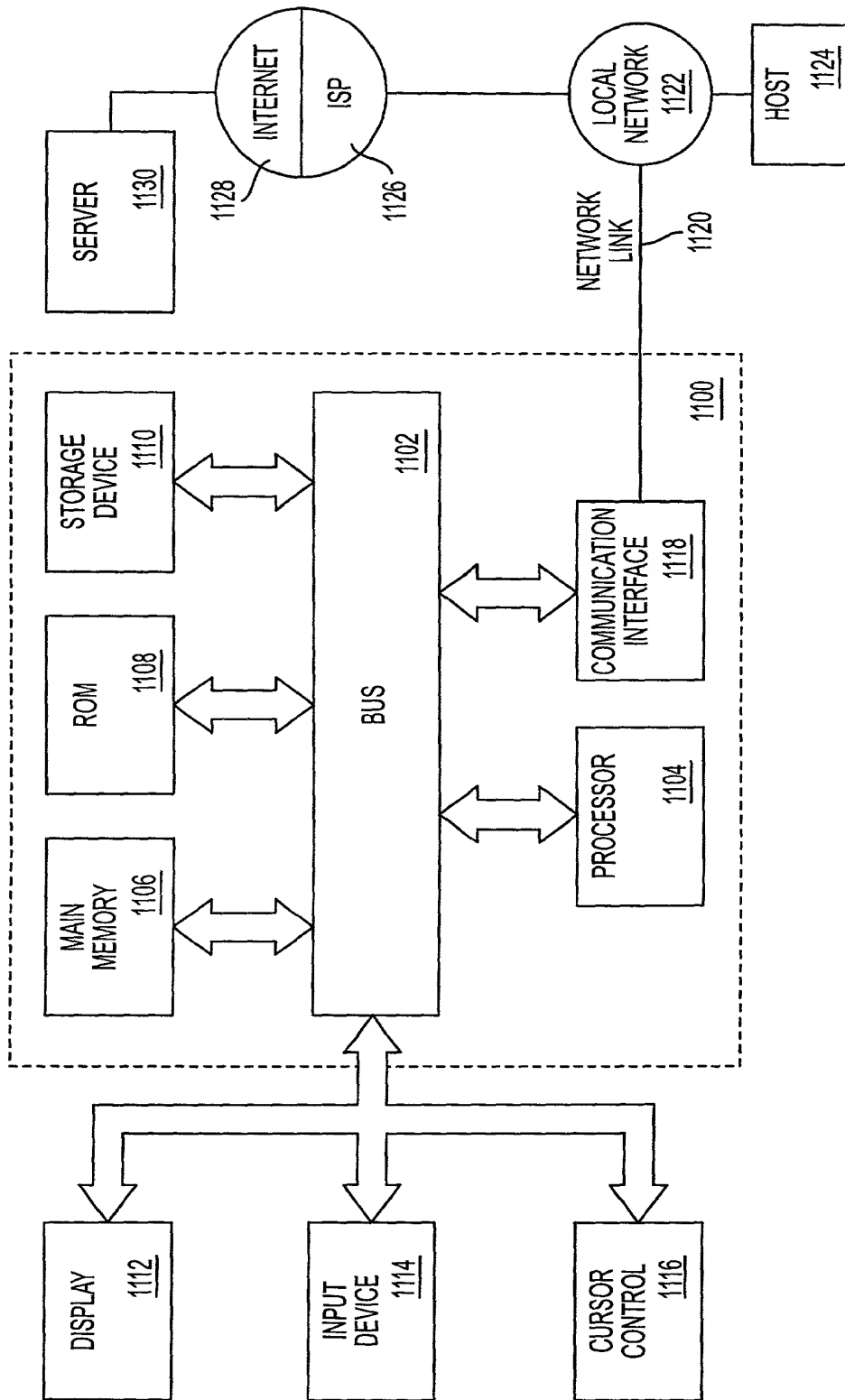


FIG. 20

DECLARATION FOR PATENT APPLICATION AND POWER OF ATTORNEY

(Includes Reference to PCT International Application(s))

Attorney's Docket Number

19433-066

As below named inventor, I hereby declare that:

My residence, post office address and citizenship are as stated below next to my name,

I believe I am the original, first and sole inventor (if only one name is listed below) or an original, first and joint inventor (if plural names are listed below) of the subject matter which is claimed and for which a patent is sought on the invention entitled:

FUNDS FLOW SYSTEM FOR ACADEMIC HEALTH CENTERS

the specification of which:



is attached hereto.



was filed as United States application Serial No. 09/857,275

on June 1, 2001

and was amended on _____ (if applicable).



was filed as PCT international application Number PCT/US00/29938

on OCTOBER 30, 2000

and was amended under PCT Article 19 on _____ (if applicable).

I hereby state that I have reviewed and understand the contents of the above-identified specification, including the claims, as amended by any amendment referred to above

I acknowledge the duty to disclose information which is known to me to be material to patentability in accordance with Title 37, Code of Federal Regulations, §1.56.

I hereby claim foreign priority benefits under Title 35, United States Code, §119(a)-(d) or Section 365(b) of any foreign and/or international application(s) for patent or inventor's certificate or Section 365(a) of any PCT international application(s) designating at least one country other than the United States of America listed below and have also identified below any foreign application(s) for patent or inventor's certificate or any PCT international application(s) designating at least one country other than the United States of America filed by me on the same subject matter having a filing date before that of the application(s) of which priority is claimed:

PRIOR FOREIGN/PCT APPLICATION(S) AND ANY PRIORITY CLAIMS UNDER 35 U.S.C. 119:

COUNTRY (If PCT, indicate "PCT")	APPLICATION NUMBER	DATE OF FILING (day, month, year)	PRIORITY CLAIMED UNDER 35 USC 119
			<input type="checkbox"/> Yes <input type="checkbox"/> No

I hereby claim the benefit under 35 USC §119(e) of any United States provisional application(s) listed below.

PRIOR PROVISIONAL APPLICATION(S):

Application Number	Filing Date
60/162,328	OCTOBER 29, 1999

I hereby claim the benefit under Title 35, United States Code, §120 of any United States application(s), or §365(c) of any PCT international application(s) designating the United States of America that is/are listed below and, insofar as the subject matter of each of the claims of this application is not disclosed in that/those prior application(s) in the manner provided by the first paragraph of Title 35, United States Code, §112, I acknowledge the duty to disclose information which is material to patentability as defined in Title 37, Code of Federal Regulations, §1.56 which occurred between the filing date of the prior application(s) and the national or PCT international filing date of this application.

PRIOR U.S. APPLICATIONS OR PCT INTERNATIONAL APPLICATIONS DESIGNATING THE U.S. FOR BENEFIT UNDER 35 U.S.C. 120:

U.S. APPLICATIONS		STATUS (Check One)		
U.S. Application Number	U.S. Filing Date	Patented	Pending	Abandoned
PCT APPLICATIONS DESIGNATING THE U.S.				
PCT Application No.	PCT Filing Date	U.S. Serial Numbers Assigned (if any)		
PCT/US00/29938	OCTOBER 30, 2000			

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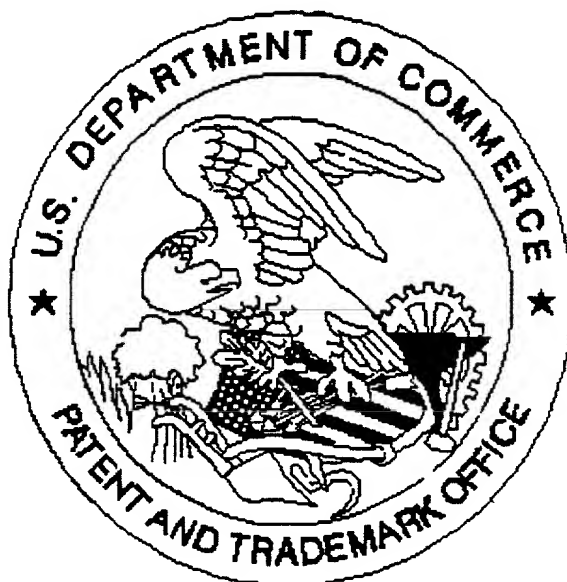
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I hereby declare that all statement made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that wilful false statements and the like so made are punishable by fine or imprisonment, or both, under section 1001 of Title 18 of the United States Code, and that such wilful false statements may jeopardize the validity of the application or any patent issuing thereon.

Signature of Inventor 201:	Signature of Inventor 202:	Signature of Inventor 203:
<i>Robert J. Baker</i>	<i>David A. Burnett</i>	<i>Michael A. Geheb</i>
Date 9/6/01	Date 9/7/01	Date 12/12/01

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